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Thai Premier Opens Asia-Pacific Trade Conference

BK2901044791 Bangkok BANGKOK POST in English 29 Jan 91 pp 2, 24

[Text] Phatthaya—The first Inter-Parliamentary Conference on Economic Cooperation in the Asia-Pacific Region opened here yesterday amid tight security, but several countries failed to attend because of the Gulf war.

Heavily-armed police were joined by security forces from the Sattahip Naval Base to provide security for about 200 delegates from 21 countries at the Ambassador City Hotel in Chom Thian, where the four-day conference is being held.

Police Chief Sawai Amonwiwat chairs the committee providing security for the international meeting opened yesterday by Prime Minister Chatchai Chunhawan. Doctors and nurses from the Public Health Ministry were also on hand to take care of the participants.

Australia, Canada, Germany, Jordan, New Zealand and Norway all pulled out before the conference started. Iraq had been scheduled to attend, but did not show up.

Addressing delegates at the meeting, House Speaker Pancha Kesonthong blamed the Gulf war for the cancellations. Since the outbreak of the war, several countries have warned their nationals against overseas travel. Western governments have also warned of possible terrorist attacks in Thailand.

The four-day conference, organised by the Inter-Parliamentary Union and supported by the UN Economic and Social Commission for Asia and the Pacific, is to examine ways to promote regional economic cooperation.

Taking part are parliamentary delegations from 13 countries: Bangladesh, China, India, Indonesia, Japan, Laos, Mongolia, North Korea, Pakistan, the Philippines, South Korea, Singapore and Thailand. Belgium, Britain, Finland, Kiribati, Iran, Namibia, Senegal, the Soviet Union the UN and other international organisations have sent observers.

In his opening speech, Gen Chatchai said much progress had been made in recent years in promoting Asia-Pacific cooperation. The most notable example, he said, was the formation of the Asia-Pacific Economic Cooperation group.

"We have gone beyond the stage of talking just about broad concepts and ideas," he said. "Now is the time for us to focus on practical measures of achieving closer and wider cooperation in trade, investment, technology, telecommunications and a host of other areas."

"We need to build up a sense of community among the citizens of Asia and the Pacific. They must be made to realise that all our nations share a common future together." Of the 148 parliaments established in the world's sovereign states, 113 are affiliated with the IPU.

Prime Minister Gen Chatchai Chunhawan yesterday opened the five-day Inter-Parliamentary Conference on Economic Cooperation in the Asia-Pacific Region at the Ambassador City Hotel, Chom Thian, Chon Buri. About 120 parliamentarians from more than 20 countries attended the conference.

Gen Chatchai said countries of the Asia-Pacific region needed to cooperate more closely, with the aim of turning the dream of a "Pacific Century" into reality. "The resources and potential of the Asia-Pacific region are, indeed, immense. Within the region, we have many of the fastest-growing economies. Trade and investment ties are expanding at a more rapid pace than ever before," the Prime Minister said.

House of Representatives Speaker Pancha Kesonthong said the conference concentrated on the economy because the law eventually related to the economy.

The Business Economic Department reported that bilateral trade between Thailand and the Asia-Pacific region last year was worth about 633,500 million baht.

Thailand exported garment products, jewelry, rice, electronic components, sugar, rubber and tapioca products worth about 205,500 million baht or about 34.8 per cent of Thailand's total exports.

Thailand imported machinery and raw materials worth about 428,000 million baht from Japan, Singapore, Malaysia, Taiwan, China and Australia.

Japan

Iraqi Envoy Says Offensive 'Going Very Well'

BK3101093591 Melbourne Overseas Service in English 0803 GMT 31 Jan 91

[From the "International Report" program]

[Text] Iraq has claimed that it shot down three allied planes as part of the offensive in Saudi Arabia. Baghdad's latest communique also reports that direct Iraqi artillery hits were made on oil installations in the region of al-Khafji in Saudi Arabia. Karim Barbaras spoke by telephone to the Iraqi ambassador to Tokyo, Rashid al-Rifa'i.

[Begin recording] [Al-Rifa'i] I think it is the beginning of our offensive against the aggression forces of the United States and its allies against Iraq. And, as far as I can assess, the battle is going very well in our favor; the allies are suffering heavy losses. It seems though they have not accepted it, they have been, you know ...

[Barbaras] Have you got any details about the allies' losses?

[Al-Rifa'i] Not particular details, but I have ... [changes thought] I knew, I know that their losses were quite heavy. They did not expect this to happen so quickly in such a short time, and the battle is still going on by the way, it has not stopped yet.

[Barbaras] Is there any information about Iraqi losses?

[Al-Rifa'i] Not detailed losses, no. Of course, in such a battle there must be some losses, but this is expected anyway.

[Barbaras] Have the Iraqis taken any prisoners?

[Al-Rifa'i] I have no information about this, no detailed information yet about it because the battle is still going on, you see.

[Barbaras] Mr. Ambassador, why did Iraq decide to attack?

[Al-Rifa'i] Well, this is part of our military strategy. They know when to attack and what to do, and how to carry on the war to defend themselves.

[Barbaras] Has it anything to do with Mr. Bush's speech or with the deal that was worked out between the United States and the Soviet Union?

[Al-Rifa'i] Oh, there are no deals. I think what has happened is nothing new. All the things that, you know ... [changes thought] the press release which we heard, you mean, between the State Department and the foreign minister of the Soviet Union?

[Barbaras] Yes.

[Al-Rifa'i] There is nothing new in it. It is the same ultimatums and the same way, and there is no suggestion for a peaceful resolution for the problems in the area. So, I do not know whether it has anything to do with it, but it is part of the big battles—the mother of battles.

[Barbaras] How is the morale of the Iraqi fighters, especically on the Kuwaiti front?

[Al-Rifa'i] Excellent, very high. And the morale of the people behind them is so high, even with all this horrible, barbaric bombing of civilian targets in Iraq.

[Barbaras] They have not been affected by the ....

[Al-Rifa'i interrupts] Citizens have a very high morale.

[Barbaras] Neither the people nor the fighters have been affected by the bombing?

[Al-Rifa'i] They have not. On the contrary, I think they have been effected positively, they are more resolute, more steadfast, and they are more behind their leadership now. [end recording]

Jordan 'Uncommitted' on SDF Evacuation Plan

OW3101075691 Tokyo KYODO in English 0738 GMT 31 Jan 91

[Text] Tokyo, Jan. 31 KYODO—The Japanese Government plan to send military aircraft to the Middle East to transport war refugees ran into further problems Thursday as Jordan remained uncommitted on the move, diplomatic sources said.

Prime Minister Toshiki Kaifu has proposed the dispatch of five Air Self-Defense Force (ASDF) C-130H transport planes to shuttle refugees from the war between U.S.-led allied forces and Iraq from Amman to Cairo. But Jordan is still uncommitted on the offer as Japanese Ambassador to Amman Tadayuki Nonoyama has been unable to receive a reply from Jordanian officials this week, officials said.

Jordan's Information Minister Ibrahim 'Izz al-Din has said strict conditions must be set in allowing Japanese military craft to use Amman airport even for humanitarian reasons.

Jordan, with a large pro-Iraq Palestinian population opposing Japan's siding with Washington in the war, faces possible growth of antigovernment sentiment, diplomatic sources said. A lawmakers' mission from Kaifu's ruling Liberal Democratic Party (LDP) was scheduled to negotiate with Jordanian officials in Amman on Thursday.

Egypt also is considering possible use of its own planes in the refugee carrying work, which could make unnecessary the Japanese plan to send ASDF planes, diplomatic sources said.

The issue has been further muddied by an apparent misunderstanding on the nature of a request by the

Geneva-based International Organization for Migration (IOM) which is preparing contingency plans for repatriating refugees.

Prime Minister Kaifu, justifying his plan to dispatch military aircraft in parliament, has said that his decision was based on an IOM request to dispatch military and civilian aircraft.

An IOM spokeswoman said that the organization has requested governments to inform it of what sort of aircraft—both civil and military—they could make available to handle an influx of refugees. "Our position is very simple, we want the quickest, safest way to evacuate refugees, and we will use whatever carriers that are available to do that," IOM Chief of Public Information Regina Boucault said in a telephone interview with KYODO NEWS SERVICE. She said it was impossible to predict whether there would be an influx of refugees, but estimated that as many as one million foreigners remain in Iraq and Kuwait. About 900,000 refugees have been repatriated since Iraq's August 2 invasion of Kuwait, she said.

So far Japan and France have made available commercial flights, and several governments have "contributed information" for planning purposes, the IOM official said. Boucault said that military aircraft may be needed if commercial planes refuse to land in Jordan. Smaller aircraft may also be useful when there are not enough evacuees to fill a large commercial passenger plane, she adedd, noting the IOM has used military aircraft in the past. The C-130 transport planes can carry about 30 passengers.

In Tokyo, a Foreign Ministry official said that the ministry has formally offered civilian planes, not military aircraft.

Two Japanese civilian planes carried 580 Vietnamese evacuees from Cairo to Ho Chi Minh City this week. Two other Japanese commercial planes carrying another 383 Vietnamese and 81 Thais left Cairo Thursday.

The sending of ASDF planes to the Middle East would be Japan's first postwar overseas military deployment in connection with an international conflict.

Dispatch of military aircraft or vessels overseas is an extremely sensitive issue in Japan, whose constitution, drafted during the U.S. occupation after World War II, bans the use of force to solve international conflicts.

The government is seeking to dispatch the ASDF planes to the Middle East through a government ordinance. It has added a new provision referring to refugees to the existing Self-Defense Forces (SDF) Law which allows the ASDF to transport foreign VIPs and "others designated by administrative ordinance."

Government sources said that the cash aid to U.S.-led coalition forces amounting to 11 billion dollars pledged so far is insufficient, and that Japan needs a further "physical" contribution to the Persian Gulf war effort in order to avoid its "isolation" in the international community.

The LDP is planning to study the possible of sending SDF naval vessels as well as personnel to take part in rehabilitation work after the war, political sources said.

Opposition parties, particularly the largest opposition Japan Socialist Party, are opposed to the dispatch of military aircraft, which they say is a "grave violation of the Constitution." They say the move would set a "dangerous precedent" for Japan's full involvement in future international conflicts.

Kaifu Confident of Asian Approval on SDF Planes

OW3001132491 Tokyo KYODO in English 1239 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 (KYODO)—Japanese Prime Minister Toshiki Kaifu expressed confidence Wednesday that Asian victims of Japan's World War II aggression will accept his plan to send military planes to the Middle East to evacuate refugees.

Kaifu, noting that South Korea is also contributing personnel and funds to international efforts in the Persian Gulf, said that Asian countries are likely to be the prime benefactors of the scheme to send C-130 transport planes of the Self-Defense Forces [SDF] on refugee relief missions.

"If any country gets angry and raises the issue of sending soldiers abroad or war-like aggression, I think we can gain their understanding by explaining what we're doing," Kaifu said in a taped interview with Nippon Television Network Corp.

The comment came shortly after the Philippines gave permission for the air Self-Defense Force planes to pass through its airspace, and as the first group of Vietnamese evacuated from the war zone by two Japan airlines flights were arriving home.

The Philippines had been among the countries that opposed an earlier plan to send noncombat SDF personnel to the Persian Gulf. That proposal was killed in Japan's parliament last November.

Kaifu has given repeated assurances to parliament that the first overseas mission by Japan's Air Self-Defense Forces is being planned in response to requests from international refugee organizations and is strictly for humanitarian purposes.

Spelling out his vision for the Middle East after Iraq has been forced out of Kuwait, Kaifu said the first step would be to hold an international conference on the Palestinian issue. He said he also hoped to propose a new framework for controlling the spread of conventional weapons in the region, and to work for elimination of chemical weapons.

Kaifu indicated in the interview that his prompt announcement last week that Japan would provide 9 billion dollars in additional funds for the U.S.-led multinational forces was in response to criticism last fall that Japan's first contributions had been "too little too late."

"This time we had to respond to that criticism...and make sure we were not too late," Kaifu said, although he also said he disagreed with the earlier criticisms.

Japan was the first country to announce a new contribution since the war broke out on January 17.

The announcement was made one week after the multinational forces started air attacks on Iraq.

In contrast, last fall Kaifu waited almost one month before making the first payment of 1 billion dollars pledged for multinational forces and another two weeks before payment of a further 1 billion dollars for the allies and 2 billion dollars in economic assistance to frontline states.

Kaifu explained that he decided to raise the money for the latest contribution by increasing taxes on petroleum products and corporate taxes because he did not want to pass the bill on to future generations. Asked what he would do if the bill is rejected by parliament, he replied he was not thinking of that possibility.

Kaifu said the oil spill that threatens the ecology of the Persian Gulf should be approached as a separate issue from the war, and called for an international response.

Kaifu renewed his call for Iraqi President Saddam Husayn to withdraw from Kuwait immediately, saying it is not too late.

Japan is prepared to resume economic cooperation and help Iraq rebuild once the conflict is over, he said.

LDP Groups on Sending SDF 'Vessels' to Gulf

OW3101063291 Tokyo NHK General Television Network in Japanese 0300 GMT 31 Jan 91

[Text] At a joint session today, the defense-related councils of the Liberal Democratic Party [LDP] decided that they will seek the implementation of such measures as the deployment of Self-Defense Force [SDF] vessels for transporting refugees as a new way for Japan to contribute to the Gulf war.

If the war should become a prolonged one, the number of refugees can be expected to increase by a large margin. To prepare for such a situation, the session decided to undertake a study of the possibility of using SDF vessels for transporting refugees. SDF doctors, the so-called defense doctors, will also be sent if the government decides that the actual situation warrants the sending of medical groups.

At present, the law on international emergency relief teams does not approve of SDF participation. Therefore, it has also been decided that this bill will have to be revised in order to facilitate the SDF's extensive contributions to relief activities abroad.

The defense-related councils plan to seek a party decision to turn these measures into party policy at an upcoming session of the party's headquarters on measures for handling the Gulf crisis.

UK's Hurd Requests Additional Gulf Aid

OW3001125191 Tokyo NHK General Television Network in Japanese 1000 GMT 30 Jan 91

[Text] In an interview with NHK on 29 January, British Foreign Minister Hurd expressed the view that Japan should increase its financial aid to Britain, which is participating in the multinational force. In the interview, Foreign Minister Hurd said: Compared with the United States, Britain has sent a smaller contingent to the Middle East. However, Britain so far has suffered casualties and is facing a growing military budget. Britain is undertaking these efforts for the sake of all Western nations. Along the same vein, the British foreign minister added that if Japan benefits from these efforts, it should bear an appropriate burden.

Diet To Begin Debate on Gulf War Aid 4 Feb

OW3001124891 Tokyo KYODO in English 1132 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 (KYODO)—Japanese Government leaders and opposition questioners will go into a series of full-fledged discussions next week on Japan's assistance to allied war efforts in the Persian Gulf as ruling and opposition camps agreed to convene the House of Representatives budget committee session on Monday, officials said Wednesday.

Discussions are expected to focus on Japan's additional 9 billion dollar financial aid to the U.S.-led coalition of forces fighting Iraq. Opposition parties are also expected to question a government decision to send Self-Defense Force transport aircraft to the Middle East on refugee evacuation missions.

Representatives of ruling and opposition parties met Wednesday to discuss a schedule of debate at the lower chamber's budget committee.

The governing Liberal Democratic Party proposed to hold the budget committee session between February 4 and 12 with Prime Minister Toshiki Kaifu and all his 20 cabinet members attending. Opposition parties accepted the proposal, officials said.

LDP To Raise Oil, Corporate Taxes for Gulf Aid

OW3001213191 Tokyo KYODO in English 1520 GMT 30 Jan 91

[Text] Tokyo, Jan. 31 KYODO—The ruling Liberal Democratic Party (LDP) decided on Wednesday to increase corporate and oil taxes to secure financial sources for about 1.19 trillion yen (9 billion U.S. dollars) in assistance to the U.S.-led multinational forces fighting Iraq in the Persian Gulf war, LDP officials said.

LDP leaders made the decision one week after the government pledged to grant 9 billion dollars to the multinational forces.

Among the party leaders were Mutsuki Kato, chairman of the LDP Policy Affairs Research Council, and Masajuro Shiokawa, head of the party's Research Commission on the Taxation System.

Cigarette taxes will not be increased to provide a financial source for the assistance, despite previous consideration by the government, said the officials.

The LDP has asked the Finance Ministry to present to the government and the LDP a draft regarding details of tax revenues for financial support to the multinational forces.

The officials have indicated the government will double oil taxes to 4.08 yen from 2.04 yen per liter, assuming that revenues from additional oil taxes will total 490 billion yen a year.

The ministry is considering imposing an extra 4-5 percent surcharge on tax revenues gained from the 37.5 percent corporate income tax rate, the officials said. They said the government will issue deficit-covering national bonds to tentatively finance the 9 billion dollar aid, which they said will be paid back over two years with the revenues from oil and corporate tax hikes.

AOC Facilities in Saudi Arabia Said Destroyed

OW3101050291 Tokyo NHK General Television Network in Japanese 0300 GMT 31 Jan 91

[Text] According to information received at the Foreign Ministry, Arabian Oil Company [AOC] oil refining facilities located in al-Khafji, Saudi Arabia went up in flames as a result of ground battles between Iraqi and multinational forces.

The AOC relayed this information to the Foreign Ministry on the basis of a report it received from a local Saudi Arabian staff member who was there.

The Foreign Ministry is now taking urgent measures to confirm this report. However, there are no private-sector Japanese employees remaining at al-Khafji. No casualties have been reported so far.

Seamen's Union Rejects Request To Ease Gulf Ban

OW3001213091 Tokyo KYODO in English 1308 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 KYODO—The seamen's union rejected a request by shipowners Wednesday to ease a ban on cruises to the Persian Gulf coast of Saudi Arabia to take delivery of Saudi oil in the absence of a guarantee of safety while the Gulf war is continuing.

The shipowners made the request in response to an appeal by the Petroleum Association of Japan, which is concerned about oil supplies from Saudi Arabia because of the war. The union spurned the request, saying two Japanese sailors were killed in the area during the eight-year Iran-Iraq war. The shipowners and the union earlier agreed to keep Japanese vessels out of the danger zone in the western part of the Gulf to ensure the safety of seamen. The meeting between the shipowners and the union took place as the government expressed concern over oil imports from Saudi Arabia because of the war.

Japanese oil importers are planning to charter foreign oil tankers to transport Saudi oil they have contracted to buy in long- term deals, industry sources said. Oil companies said they are still uncertain if they will be able to take delivery of the contracted Saudi oil in February.

Government officials said they were concerned that Saudi Arabia may cut oil supplies to Japan in the future if Japanese oil firms continue not to take delivery of contracted oil.

Japanese oil firms have declined a Saudi Arabian offer to deliver oil at terminals along the country's Red Sea coast mainly because of higher transport costs, the sources said.

Nippon Oil Co. said it plans to charter a 258,000-ton tanker of Maltese registry to proceed to Saudi Arabia, while Cosmo Oil Co. said it is studying a similar plan. Kyodo Oil Co. said it plans to transport Saudi oil via the Red Sea.

The Ministry of International Trade and Industry said Japanese oil importers have managed to implement their contracts with Saudi Arabia for January delivery, but it is uncertain if they will be able to take over the entire amount of about 20 million barrels for February delivery.

Saudi Arabia accounted for 19.7 percent of the total Japanese oil imports in December last year.

Imports from the neutral zone between Saudi Arabia and Kuwait, where the Khafji oil fields are located, amounted to 4.7 percent of the total.

Vice Minister: Use of Force 'Necessary' in Gulf

OW3001151991 Tokyo KYODO in English 1310 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 (KYODO)—Vice Foreign Minister Takakazu Kuriyama said Wednesday the use of force to keep the peace is necessary to maintain international order.

Kuriyama, who spoke at a lecture session, was critical of opposition parties which are against Japan's financial support for the U.S.-led coalition of forces and also a government plan to send military planes on refugee evacuation missions.

"The United Nations charter, the Japanese Constitution and the Japan-U.S. security arrangements are based on the assumption that use of force can be allowed if there is an aggressor," Kuriyama said.

"Japan is now experiencing, for the first time after World War II, how to play its role to preserve peace in the international community," he said. He said if Japan fails to properly respond to the Persian Gulf war, the error will not only damage international trust in the nation, but also relations with the United States. Kuriyama also pointed to the need for Japan to contribute to the multinational forces in nonmilitary fields such as humanitarian aid.

Kuriyama said Japan needs to prepare to help establish a postwar framework of peace and stability in the Gulf region.

Officials React to Results of KYODO Gulf Poll

OW3001151791 Tokyo KYODO in English 1445 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 (KYODO)—Chief Cabinet Secretary Misoji Sakamoto said on Wednesday a KYODO NEWS SERVICE poll, which indicates the Japanese are almost equally divided in their views on the Persian Gulf war, shows the nation does not yet fully understand the government's efforts.

"We'll have to step up publicizing the nature of the crisis in the Gulf and the reasons for Japanese support," Sakamoto said.

The KYODO poll was conducted after Prime Minister Toshiki Kaifu announced 9 billion dollars in additional support for the multinational forces on January 24 and the sending of Self-Defense Force (SDF) planes to the Middle East for the transport of refugees.

The poll found 48 percent in favor of the multinational forces fighting Iraq and 45 percent against, while 30 percent were opposed to the new financial assistance and 23 percent were against any contribution. The poll also found that 58 percent oppose the plan to send SDF planes while 38 percent are in favor.

Sakamoto said the results show the nation has still not completely shed its "SDF allergy."

Ichiro Ozawa, secretary general of the governing Liberal Democratic Party, said the survey shows it will be necessary to promote an increased awareness of the need for Japan to extend humanitarian and economic aid under the auspices of the United Nations.

Japan Socialist Party Secretary General Tsuruo Yamaguchi said the close to half of respondents who do not support military action by the multinational forces shows the problem lies in the government's insistence on giving "firm support." Yamaguchi said he is not surprised at the close to 60 percent who oppose the dispatch of SDF planes to the gulf. "They should call a halt to the dispatch by repealing the special government ordinance," he said.

Reportage on Talks With Soviet Businessmen

Soviets Urged To Make Payments

OW3101102191 Tokyo KYODO in English 1004 GMT 31 Jan 91

[Text] Tokyo, Jan. 31 KYODO—Japanese business leaders on Thursday urged on their Soviet counterparts an early settlement of their payment arrears for Japanese imports, one of the biggest stumbling blocks to further expansion in bilateral trade ties.

"Payment delay by the Soviets is the biggest matter of concern for us. We made strong calls for them to settle the issue," said Tomiichi Akiyama, who chaired the trade group of the ongoing Japan- Soviet meeting on economic cooperation.

With Soviet economic reforms making little headway, the increasingly severe lack of foreign exchange reserves have forced many Soviet companies to delay their payments for imports.

At the end of last December, the Soviets were behind in their payments for imports from Japan's 15 biggest trading houses to the tune of 377 million dollars.

Akiyama, also president of Sumitomo Corp., a major trading house, said the Soviet participants were "well aware that the problem matters to the Japanese." Stressing that the issue was "a temporary phenomenon" caused chiefly by a sharp decline in crude oil exports, Soviet officials promised further efforts to solve the issue, he said. Akiyama said the Soviet delegation proposed the establishment in each country of a special group to work toward solving the problem, though he added he was skeptical the proposed measure would really work. The prospects are not totally bleak, however, as the Soviet Union plans to repay its debts from part of the foreign exchange earnings of Soviet exporters.

Under a temporary program for 1991 only, Soviet exporters, now numbering more than 20,000, must pay 40 percent of their foreign exchange earnings to the government, which is expected to bring an estimated 11-12 billion dollars into the state coffers. The bilateral meeting, the 13th of its kind and the first to be held in one and a half years, drew a record 440 Japanese industry leaders and 120 Soviet officials.

On the second day of the three-day meeting, Japanese officials of another group on bilateral pulp chip trade requested the Soviets follow through on a bilateral chip trade contract signed in 1985.

Jiro Kawake, vice president of the Japan-Soviet Business Cooperation Committee, said the Soviet Union failed to export about 15 percent of the promised chip shipments to Japan from 1986-1990. In response to the request, Soviet business leaders said they are optimistic they can meet the contract shipments this year.

Talks Focus on Sakhalin Oil Plan

OW3101083091 Tokyo KYODO in English 0750 GMT 31 Jan 91

[Text] Tokyo, Jan. 31 KYODO—The Soviet Union made no new proposals on the Japan-Soviet joint development of crude oil and natural gas projects in Sakhalin during the current bilateral talks here on economic cooperation, Japanese officials said Thursday.

"The Soviets are apparently not yet ready to make the final decision (to go ahead with the project). But we are very close to the final agreement," said Kinzo Matsuo, a senior adviser to Sakhalin Oil Development Cooperation Co. The company is a joint venture of the Japan National Oil Corporation, Japanese trading houses and oil refiners. It serves as principal Japanese agent for the project.

The two countries agreed in 1972 to embark on the development of vast crude oil and natural gas reserves off the Soviet Union's Sakhalin Island, north of Japan.

A total of 75 million tons of crude oil reserves and 225 billion cubic meters of natural gas reserves have already been confirmed. The project now hinges on the Soviet Union's economic assessment of its profitability.

On the second day of the three-day regular meeting on economic cooperation, the two sides discussed various aspects of the project to work out a detailed plan. A draft blueprint has been drawn up, in which the project is scheduled to be launched in 1992 and be completed in 1996.

"There still remain a considerable number of factors that must be settled before the project is put into action," Matsuo said.

"There are some differences between them and us over the basic concepts of economic viability," he said. But he added the Russians are more eager than ever to proceed on the project, and the two sides agreed to continue the talks.

Soviets Admit to 'Economic Woes'

OW3001125991 Tokyo KYODO in English 1143 GMT 30 Jan 91

[Text] Tokyo, Jan. 30 (KYODO)—Soviet business chiefs admitted to the country's painful economic woes in a meeting with top Japanese businessmen Wednesday and suggested sweeping price hikes in the near future and further steps to absorb the overflowing currency supply.

A. Milyukov, a senior economist at the Kremlin, said the recent drastic move to withdraw 50 and 100 ruble notes from circulation will slash only 15 percent of the estimated excess of 250 billion rubles, and that more should be done to control the burgeoning money supply, according to officials of the Federation of Economic Organizations (Keidanren), which organized the meeting. He also said there will be a "one-time price hike in the near future" as a step toward containing surging inflation, which he termed "the most significant task at the moment."

Milyukov's remarks came in a question-and-answer session after his speech during the general assembly on the first day of a three-day bilateral meeting on economic cooperation, Keidanren officials said.

A record 440 Japanese industry leaders and 120 Soviet officials attended the meeting, the 13th of its kind, which was being held for the first time in one and a half years, the officials said.

The meeting was overshadowed by the gloomy sentiment among the delegates stemming from the recent Soviet regression to an iron-fisted domestic policy, as demonstrated in the bloody crackdown in the Baltic states. The Soviet representatives tried to convince their Japanese counterparts that perestroyka is not dead.

Vladislav Malkevich, president of USSR Chamber of Commerce, stressed in his speech in the morning session that perestroyka is still continuing and the decentralization of the economy is proceeding rapidly. With the recent events in the Baltic states apparently in mind, he said it is important not to be trapped by temporary emotions and to keep focusing on long-term reciprocity.

The meeting is widely viewed as a prelude to the scheduled historical visit to Japan by Soviet President Mikhail Gorbachev in April, when a bilateral accord over trade is expected to be signed.

Isamu Yamashita, chairman of the Japan-Soviet Business Cooperation Committee, expressed the hope in his key note speech that Gorbachev's visit will usher in a new era for Japan-Soviet economic relations.

In a message delivered at the meeting, Prime Minister Toshiki Kaifu called for the solution of the bilateral territorial dispute concerning four small islands northeast of Hokkaido, which has been the largest stumbling block to improved ties between both countries. Kaifu also emphasized the importance for the Soviets to retain their reformist policy for the expansion of the relations.

Yamashita, a consultant to Mitsui Shipbuilding, urged the Soviets to settle the problems of mounting arrears in its payments for Japanese imports and to clarify the governmental jurisdictions concerning trade.

Malkevich emphasised that perestroyka has reached a point of no return with no possible alternative path. Pointing out that the Soviet central government controls only one fifth of the nation's total investments, he claimed the economy is being decentralized at a swift pace. He pressed for bilateral efforts to boost Japanese investments in the Soviet Union, especially in the form of joint ventures and consortia.

The Soviet Chamber of Commerce head also cited the large economic potential of the conversion of powerful military industries into civilian businesses such as aircraft, shipbuilding, space exploration, telecommunications, electronics, and new materials. Malkevich called for Japan's financial and technological cooperation in these fields.

The Soviet officials said the problem with their country's economy rests mainly with the distribution system rather than the aspect of production .

Milyukov pointed out the grain production amounted to 280 million tons last year, but only 68 million tons came into the government's hands. The produce reach the stores, but not consumers, he said. Combined with the poor infrastructure, the distribution malfunction causes 30-40 percent decay of vegetables and the average loss rate of grain is 15 to 20 percent, he said.

V. P. Chichkanov, chief foreign economic affairs secretary of the Russian Republic, made it clear that his republic is taking the separatist path. He suggested the republic is ready to sell the rights to the debts to the republic of such countries as Mongolia, Cuba, Angola, and North Korea. He also said the Russian Republic is gradually integrating itself into world society and planning to approach the European Community, and is seeking membership of such organizations as the International Monetary Fund and the General Agreement on Tariffs and Trade.

Hokkaido-Russia Economic Talks End; To Continue

OW3101120791 Tokyo KYODO in English 1038 GMT 31 Jan 91

[Text] Sapporo, Jan. 31 KYODO—Participants in the first meeting discussing Hokkaido-Russian Federation economic cooperation ended their talks Thursday with an agreement to work continuously to improve ties.

Following the decision made in June last year by the Hokkaido prefectural government and the Russian Federation, local government authorities and economic leaders of both sides have held a working-level meeting here since Monday.

The discussions centered on the types of projects suitable for economic cooperation in five fields—infrastructure improvement, trade, industry and transportation, tourism, and agriculture, forestry and fisheries.

Hiroshi Yamanaka, deputy governor of Hokkaido, led the Japanese participants and said they agreed with the Russian side, led by E.B. Shukerenkov, in charge of the republic's external economic relations, about cooperation in power line construction. There are some other programs which are likely to be agreed upon in the near future, Yamanaka said, adding the two sides will continue talks to improve the blueprints.

The two sides will set up separate meetings on various fields after May, and then will hold the second working-level meeting in Moscow probably in October, he said. They will also set up a regular joint committee in December in order to promote the principles of the meetings, Yamanaka added.

Group for Normalization of DPRK Ties Formed

SK3101113591 Pyongyang KCNA in English 1009 GMT 31 Jan 91

[Text] Tokyo January 29 (KNS-KCNA)—The Ehime 100-Men Committee for early normalization of Japan-DPRK diplomatic relations was formed on Jan. 20.

The committee embraces socialist members of the House of Representatives Tsunetoshi Tanakauztakatoshi Fujida and Mayumi Utsunomiya, and members of prefectural and city assemblies, officials of different organizations and men of legal and press circles and many other personages.

The committee sent a request to the prime minister and foreign minister of Japan on Jan. 25, supporting the joint declaration of the Workers' Party of Korea, the Liberal Democratic Party and the Socialist Party of Japan and urging an early normalization of Japan-DPRK diplomatic relations.

The request welcomes and fully supports the three-party joint declaration, considering it an important document which accords with the interests of the Japanese and Korean peoples and contributes to peace and peaceful reunification of the Korean Peninsula and peace in Asia and the world.

The request strongly urges the Japanese Government to approach the negotiations for the normalization of Japan-DPRK diplomatic relations with a sincere attitude in accordance with the three- party joint declaration.

BOJ Report Assesses U.S., German Economies

OW3101104891 Tokyo KYODO in English 0854 GMT 31 Jan 91

[Text] Tokyo, Jan. 31 KYODO—The United States will pull out of recession in a relatively short period, while Germany will face increasing pressure to raise interest rates due to its budget deficit, the Bank of Japan said Thursday.

In a report reviewing the overseas economic outlook, the central bank said the U.S. economy will enter a period of negative growth in the January-March quarter, but the pace of recession will not pick up because of strong exports, a positive effect of interest-rate reductions. A relatively low level of consumer goods inventories will also provide U.S. economic activity with some impetus to lessen a recession, the report concluded.

Looking at the German economy, the report said there is little prospect for an immediate fall in interest rates as Germany finds it is in need of more public spending to improve infrastructure in the former East Germany. The continuing tight supply-demand situation in goods, coupled with signs of a rise in wages, will also keep German monetary policy tight, it said.

Mongolia

President Ochirbat Praises Success of U.S. Visit

OW3101081791 Ulaanbaatar MONTSAME in Russian 1505 GMT 29 Jan 91

[Text] Ulaanbaatar, 29 Jan (MONTSAME)—Punsalmaagiyn Ochirbat, president of the MPR [Mongolian People's Republic], returned home today with his wife. He was in the United States on an official working visit at the invitation of G. Bush, President of the United States.

P. Ochirbat was met at Bayant-Uhaa Airport by P. Gonchigdorj, vice president of the MPR and chairman of the State Small Hural; D. Byambasuren, prime minister of the MPR government; C. Dashdemberel, chief of the presidential office; T. Gombosuren, MPR minister of external relations; Lieutenant General S. Jadambaa, MPR minister of defense; Maj Gen J. Baatar, chief of the Main Administration for Ensuring State Security; and other officials.

V.I. Sitnikov, ambassador of the USSR, and (M. Senko), charge d'affaires ad interim of the United States in the MPR, were among the welcoming party.

In a conversation with a MONTSAME correspondent at the Bayant-Uhaa Airport, P. Ochirbat, president of the MPR, stressed that his visit to the United States is of enormous significance. We discussed questions of and prospects for Mongolian-U.S. relations with the U.S. President. In accordance with an agreement that was reached, the United States will help us in the process of transferring the country to market relations, training personnel, and technical renewal. We will devote our primary attention to further developing bilateral ties on a basis of equality and mutual benefit. A Mongolian-U.S. trade agreement as well as an agreement in the sphere of science and technology was signed during the visit to the United States.

The Mongolian president characterized his first visit to the United States as useful. It is of important significance in expanding and developing bilateral relations, he said.

Officials Hold News Conference on SSH Session

OW3101072591 Ulaanbaatar MONTSAME in Russian 1500 GMT 29 Jan 91

[Text] Ulaanbaatar, 29 Jan (MONTSAME)—The second session of the State Small Hural (SSH) of the MPR [Mongolian People's Republic], which continued for almost 70 days, ended its work today. In connection with this, R. Gonchigdorj, chairman of the SSH; K. Dzardyhan, his deputy; and B. Chimed, secretary of the SSH, held a news conference today.

R. Gonchigdorj, MPR vice president and chairman of the SSH, noted that during its session the SSH adopted a number of important laws ensuring the legal side of the changeover of Mongolian society to a new state. The SSH ratified the program of the government aimed at normalizing the country's economy in conditions of advancing market relations. New laws on oil and customs create a guarantee for the proclaimed open economic policy. Besides, laws on the institution of the president, the SSH, and the government were confirmed, and the law on parties was overhauled. They affirmed the reform in the sphere of the political system of society implemented last year, R. Gonchigdorj said.

Leaders of the SSH answered journalists' questions.

North Korea

No Chae-pong Comments on Gulf Involvement Cited

SK2401050391 Pyongyang KCNA in English 0435 GMT 24 Jan 91

[Text] Pyongyang January 24 (KCNA)—Puppet Prime Minister No Chae-pong in his "report on national administration" at the plenary meeting of the extraordinary session of the puppet National Assembly on January 22 blared that "the Gulf war is not a war unrelated to us, but our own war," according to a radio report from Seoul.

These are not utterances that can go unnoticed.

The South Korean authorities claim that the war in the Gulf region is theirs because the flunkeyist traitors are fated to jump into fire with faggots on their backs for their master.

In his "report on national administration" the puppet prime minister declared that he will take countermeasures stage by stage by thoroughly grasping the current of the situation". This reveals the criminal scheme to send puppet combat troops to the gulf with the dispatch of a "military medical team" as the prelude, following in the treacherous footsteps of the preceding puppet regime that had got involved in the U.S. imperialists' war of aggression in Vietnam.

South Religious Group Opposes Gulf Support

SK2501055191 Pyongyang KCNA in English 0450 GMT 25 Jan 91

[Text] Pyongyang January 25 (KCNA)—The National Catholic Alliance for Justice of South Korea issued a statement on January 23 urging the authorities not to dispatch troops to the Gulf war or increase the "share of defence burden" in compliance with the requirements of the United States, according to a radio report from Seoul.

It also urged the "government" authorities to declare opposition to the Gulf war and troop dispatch.

An estimated 500 students of Korea University in Seoul on January 22 held a rally protesting the Gulf war provoked by the U.S. imperialists and the deep involvement of the No Tae-u ruling quarters in it and burnt the Stars and Stripes and a flag of the "Democratic Liberal Party".

They issued a protest statement demanding "the present 'regime' stop support to the United States which tries to strengthen world domination through the Gulf war", and exposed the anti-democratic nature of the "DLP" and demanded the dissolution of the "National Assembly".

Reunification Talks Proposal Called 'Positive'

SK2301110391 Pyongyang KCNA in English 1012 GMT 23 Jan 91

["Most Appropriate Overture of Negotiation for Nationwide Agreement on Way of Reunification"—KCNA headline]

[Text] Pyongyang January 23 (KCNA)—The proposal for convening a political consultative conference for national reunification is a positive, realistic and reasonable overture of negotiation to decide upon the way of national reunification in conformity with the will and interests of the whole nation, says NODONG SINMUN today in a by-lined article titled "Most Appropriate Overture of Negotiation for Reaching a Nationwide Agreement on the Way of National Reunification".

The article quotes the great leader Comrade Kim Il-song as saying:

"With a view to reaching a nationwide agreement on the method of national reunification, we propose to convene a political consultative conference for national reunification as soon as possible in which the authorities, and representatives of political parties and organizations of the North and the South sit together to decide upon the way of national reunification."

Noting that the proposal for convening a political consultative conference for national reunification put forward by the great leader Comrade Kim Il-song in his New Year address is, first of all, an appropriate overture of negotiation suitable to the nationwide character of the reunification question, the article says:

National reunification is an important work related to the destiny of the nation and, accordingly, it must be solved in keeping with the general will of the nation.

If a nationwide agreement is to be reached on the way of national reunification, it is necessary to arrange a nationwide negotiation that can reflect the will of all strata within the nation.

It is too natural in light of the nationwide character of the reunification question and the national task to convene a political consultative conference for national reunification in which representatives of political parties and organiziions, as well as the authorities, of the North and the South broadly participate to decide upon the way of national reunification.

The proposal to convene a political consultative conference for national reunification is a realistic overture of negotiation which reflects the urgent demand of the developing movement for reunification of the nation which had started a grand march with the goal of national reunification in the '90s.

The fact that the authorities, political parties and organizations of the North and the South bring forward their respective proposals for reunification raises it as a realistic question that brooks not a moment's delay to arrange a negotiation to define them as one reunification proposal reflecting the will and demand of the nation.

The convocation of the conference would be an epoch-making step to bring a new phase in reunification efforts by merging the ardent desire of the fellow countrymen for reunification and their strength into one and coordinating the action of the North and the South in conformity with the aspiration of the nation to achieve the national reunification in the '90s by its own efforts.

If a political consultative conference for national reunification is convened and a national agreement on the way of reunification is reached, it will inspire the entire fellow countrymen with a new hope and confidence for the prospect of national reunification, powerfully encourage all the patriotic forces in the North, the South and overseas to the struggle to accomplish the cause of national reunification and it will be another noteworthy event in the nation's history of reunification movement.

National reunification is a pressing task that brooks no further delay, the article says, and stresses: The authorities and representatives of political parties and organizations of the North and the South should sit together as soon as possible to decide upon the way of national reunification.

Presidium of Reunification Alliance Elected

SK2501162491 Pyongyang KCNA in English 1507 GMT 25 Jan 91

[Text] Pyongyang January 25 (KCNA)—The tripartite working-level talks of Koreans in the North, South and overseas which was held in Berlin in November according to the decision of the pan-national rally in August last year decided to form and run a joint presidium and a central committee as central bodies of the "Pan-National Alliance for Reunification" (Pomminnyon) and agreed to organize regional headquarters of Pomminnyon in the North, South and overseas.

Accordingly, the inaugural meeting of the North side's headquarters of Pomminnyon was held at the People's Palace of Culture today.

Following is the roster of the presidium of the North side's headquarters elected at the meeting:

- Chairman:	
Yun Ki-pok	secretary of C.C., Workers' Party of Korea
- Vice-Chairmen:	
Paek In-chun	chairman of C.C., General Federation of the Unions of Literature and Arts of Korea
Yo Yon-ku	presidium member of C.C., Democratic Front for the Reunification of the Fatherland
Kim Yong-ho	vice-chairman of C.C., Korean Social Democratic Party
Yo Pong-ku	vice-chairman of C.C., Chondoist Chongu Party
Kim Chu-ho	director of the General Bureau of Overseas Compatriots Affairs
Chon Kum-chol	vice-chairman of the Committee for the Peaceful Reunification of the Fatherland (CPRF)
Han Si-hae	vice-chairman of the CPRF
Paek Nam-chun	director of the CPRF Secretariat
Pak Kwan-o	professor and president of Kim Il-song University
Kim Yong-nam	vice-chairman of C.C., General Federation of Trade Unions of Korea
Choe Hyon-tok	vice-chairman of C.C., League of Socialist Working Youth of Korea
U Chong-hak	vice-chairman of C.C., Union of Agricultural Working People of Korea.

40 Central Committee members were also elected at the meeting.

Paper Accuses South of Running 'Smear Campaign'

SK2501054991 Pyongyang KCNA in English 0453 GMT 25 Jan 91

["NODONG SINMUN Condemns South Korean Authorities' Anti-DPRK Smear Campaign"—KCNA headline]

[Text] Pyongyang January 25 (KCNA)—NODONG SINMUN today accuses the No Tae-u ruling group of launching into a malicious anti-DPRK smear campaign to deliberately aggravate the North-South relations and incite confrontation from the beginning of the year.

The news analyst says:

The South Korean rulers at a "central meeting for counter-intelligence measures" cried for establishing a substantial "counter-intelligence posture" to cope with the North's "tactics of infiltration into the South" while charging the North with fictitious "provocation against the South," "infiltration into the South" and the like.

Their act is a challenge to the North desirous of national reconciliation and unity, peace and reunification of the country and a deliberate and premeditated intrigue to aggravate the tension and bring clouds of war.

They persistently refuse the adoption of a North-South nonaggression declaration, which is the starting point in the settlement of the question of peace and reunification, slandering our just proposals for peaceful reunification as "stratagem for revolution in the South" and unhesitatingly making bellicose outcries for "victory in the initial stage of war" and "destruction of communism and the North."

Having brought the whole land of South Korea under "wartime emergency system" after the start of the Gulf war, they are staging "Team Spirit 91" maneuvers together with the U.S. imperialists against the North from late January.

This proves that the objective of their action is not peace and peaceful reunification of the country but anti-communist confrontation, aggravation of the tension and war against the north.

The No Tae-u ruling group intends to divert elsewhere the attention of the people and bridge over the ruling crisis by raising louder outcries over "threat from the North."

It will get nothing but self-destruction from repeating the trite fiction of "threat from the North".

South's Economic Policy 'Full of Deception'

SK2401153391 Pyongyang KCNA in English 1505 GMT 24 Jan 91

["Economic 'Stability' and 'Growth' Policy Full of Deception"—KCNA headline]

[Text] Pyongyang January 24 (KCNA)—No Tae-uo at his "New Year press conference" cried that the working people should "restrain" their demand for wage hike and "industrial peace" be achieved, saying that "stability of price, wage and labour-management relations" this year would be "a key factor decisive of" the future of the South Korean economy, according to a report from Seoul.

And he shouted himself hoarse that he would orient his "policy efforts" to guaranteeing economic "stability" and achieving "growth" with "social agreement."

This is one more criminal move to evade responsibility for the chaos of the South Korean economy, put down with a strong arm the workers' struggle for wage hike under the motto of "stability" and "industrial peace" and get fabulous "political fund" from the comprador capitalists, his cronies, in return for battening them under the pretext of "growth".

The reason of price rise in South Korea does not lie in "wage hike" as claimed by the traitor but lies in the inflation policy enforced under the name of the "policy of stock market stability," "revival of enterprises" and the like.

Not much penetration is needed to see the aim of the noisy clamor of the No Tae-u ruling group about "social agreement," "stability," "growth" and the like. It lies in collecting "political fund" for the "elections of local autonomous bodies" slated in spring from the comprador capitalists. By so doing, they intend to save the tottering colonial fascist ruling system of the U.S. imperialists in South Korea and realize its design for long- term office.

North Proposes 5 Feb MAC Meeting

SK3101115391 Pyongyang KCNA in English 1110 GMT 31 Jan 91

[Text] Pyongyang January 31 (KCNA)—Our side to the Military Armistice Commission [MAC] today proposed to the U.S. side to hold the 459th MAC meeting at 11:00 on February 5.

Reaction to U.S. 'Team Spirit 91' Exercises

'Military Racket' Must End

SK2501110591 Pyongyang KCNA in English 1033 GMT 25 Jan 91

["Reckless Military Racket Must Be Ended Immediately"—KCNA headline]

[Text] Pyongyang January 25 (KCNA)—NODONG SINMUN today comes out with an article headlined "Reckless Military Racket Must Be Ended Immediately" in connection with the acute situation created on the Korean peninsula by the reckless war exercises for aggression and military provocations on the part of the U.S. imperialists and the South Korean rulers.

The author of the article says:

The U.S. imperialists mobilized Japan-based warplanes of various types in a joint strike exercise against the North in the South Korean sky on Jan. 3 and have since staged such exercises every day. They infiltrated combat ships deep into the territorial waters of the North side on the West Sea of Korea after the outbreak of the Gulf War. The military racket kicked up by the U.S. imperialists and the puppets in South Korea is becoming more undisguised.

They are stepping up preparations to stage "Team Spirit 91" joint maneuvers from this month.

If the acute situation is prolonged as today, the distrust between the North and the South will plumb new depth and the confrontation between them grow worse and, in the long run, it will be unavoidable that another war breaks out in Korea [sentence as received]. It is obvious that if a war broke out on the Korean peninsula, the existence of our nation would be endangered, not to say of the reunification of the country.

Our party and the DPRK Government have tenaciously endeavoured to preserve peace on the Korean peninsula and pave the way for peaceful reunification.

The U.S. imperialists and the South Korean rulers, however, have aggravated the situation by reinforcing their armed forces in South Korea while turning down our sincere peace overtures.

Although the U.S. imperialists talk about "disarmament" and "detente" in other region of the world, they are extensively reinforcing their armed forces on the Korean peninsula. They recently carried through Congress a bill on transferring military equipment worth 356 million dollars to South Korea for "modernization" of the South Korean puppet army.

Facts clearly show that their talk about "peace," "disarmament" and "end of cold war" is a lie and that they are warmaniacs who do not want peace.

The U.S. imperialists and their stooges are kicking up a reckless military racket these days under the pretext of "threat" from someone after the outbreak of the Gulf war. This is, however, aimed at misleading public opinion at home and abroad and finding a pretext for war against the North.

The U.S. imperialists and the South Korean rulers must immediately stop the reckless military exercises and military provocations against the northern half of Korea.

Koreans in Japan Denounce Exercises

SK2501050791 Pyongyang KCNA in English 0440 GMT 25 Jan 91

[Text] Tokyo January 23 (KNS-KCNA)—The "Federation of Koreans in Japan for Democracy and Unification", the "Korean Youth League in Japan" and the "Democratic Society of Korean Women in Japan" under the influence of the South Korean residents Association in Japan (Mindan) issued a statement on January 22 denouncing the No Tae-u ruling group's scheme to stage the "Team Spirit 91" joint military exercises.

The statement bitterly denounced this step of the South Korean authorities, branding it as an act against the international justice of peace and national independence and an anti-national offensive throwing a wet blanket over the nation's desire for peace and peaceful reunification of the Korean peninsula.

Seizing upon the outbreak of the Gulf war as a rare opportunity, the statement said, the No Tae-u "regime" has issued an "emergency alert order" to the three services and deliberately created an atmosphere of "crisis" under the pretext of "threat from the North" in a bid to suppress the democratic forces and put down the workers' struggle for wage hike.

The announcement of the plan to stage the "Team Spirit 91" military manoeuvres under these circumstances is an anti-peace, anti-democratic move to avoid North-South dialogue and debate on disarmament and foster confrontation and, at the same time, a trick to seek a way out of the crisis of the "regime", the statement said, and continued:

The scheme of the No Tae-u ruling group and the United States to stage the "Team Spirit 91" is aimed at blocking the fourth North-South High-Level Talks slated for late February, casting a chill over the desire of Koreans in the North, South and overseas for North-South reconciliation and exchange and keeping the country divided into the North and South indefinitely through "South Korea's unilateral entry into the United Nations."

Further on CPRF Statement

SK2801062491 Pyongyang KCNA in English 0446 GMT 28 Jan 91

["CPRF Demands Cancellation of 'Team Spirit 91'"—KCNA headline]

[Text] Pyongyang January 28 (KCNA)—The United States, if it truly wants peace on the Korean Peninsula and North-South dialogue and is interested in the peaceful reunification of Korea, should renounce its dangerous war policy based on the position of strength and cancel the plan of the "Team Spirit 91" joint military exercises, withdraw its troops and nuclear weapons from South Korea and agree to signing a DPRK-U.S. peace agreement, urged the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its statement January 27.

The statement reads:

Under the present grave situation, we cannot but reexamine whether the present South Korean authorities can be our dialogue partner on the peace of the country and its peaceful reunification.

If the South Korean authorities set store by North-South dialogue and have the intention to discuss the reunification question with us, it should discontinue at once nuclear war games against fellow countrymen with outside forces and immediately stop suppressing pro-reunification democratic forces.

When we put forward a new comprehensive proposal for national reunification and are making sincere efforts for its realisation the U.S. imperialists and the South Korean puppets made public the plan of "Team Spirit 91" joint manoeuvres, ignoring our honest peace efforts. This is an open challenge to us, the dialogue partner, and a malicious violation of the ardent desire of the entire Korean people and the world peaceloving people for peace on the Korean peninsula and its peaceful reunification.

The statement continues:

The CPRF sharply denounces in the name of the whole nation the aggressive and provocative criminal acts of the U.S. imperialists and the South Korean puppets who are laying deliberate obstacles to North-South dialogue and further jeopardizing peace on the Korean peninsula and the security of the world, while challenging with nuclear war manoeuvres our sincere peace efforts for ensuring peace on the Korean peninsula.

The "Team Spirit 91" joint war game of the U.S. imperialists and the South Korean puppets is all the more grave and dangerous because it is timed to coincide with the proclamation of an "emergency wartime system" in South Korea and the placing of the U.S. Forces and the puppet army in "an emergency mobilisation posture" with the outbreak of the Gulf war.

Before starting the Gulf war, the U.S. imperialists meanly provoked us with the false propaganda that our Republic was "transporting supplies" to Iraq and, after unleashing the Gulf war, instigated the South Korean puppets to drive the whole of South Korea into a virtual wartime posture under the pretext of coping with us, raising a hue and cry over fictitious "threat from the North."

For the U.S. imperialists and the South Korean puppets to stage even the "Team Spirit" war game under this situation with the U.S. Forces present in South Korea and the puppet army already in preparedness for action by newly throwing vast aggression forces and uptodate means of war, suggests that they are going to ignite a war in the Far East, too, having started one in the Middle East.

As a matter of fact, no one can vouch that the U.S. imperialists and the South Korean puppets will not commit a reckless provocation during the joint military exercises and start a war of aggression on the northern half of Korea on that pretext.

The present situation in our country is rushing headlong to a dangerous brink of war and North-South dialogue is facing a grave crisis due to the "Team Spirit 91" joint military exercises of the U.S. imperialists and the South Korean puppets.

In defiantly staging the "Team Spirit 91" they seek to put a spoke in the wheel of North-South dialogue, render the situation strained and increase the danger of war on the Korean peninsula and thereby dampen the sentiments for national reunification running higher among the South Korean people, bolster up the crumbling colonial military fascist rule and, furthermore, to gratify their wild design for "prevail-over-communism reunification" by invading the North.

At present, the anti-communist system is collapsing in South Korea and the South Korean people's anti-U.S., anti-fascist struggle is rising to a higher tide while the North-South dialogue and exchanges are getting brisk and the desire for national reunification is growing stronger as days go by. Terrified by this, the U.S. imperialists and the South Korean puppets seek not only to scuttle the North-South dialogue but also to find the most effective way of blocking the movement for independence, democracy and reunification in establishing "an emergency wartime system" on the pretext of the Gulf war and forcing the "Team Spirit 91" joint military exercises.

The South Korean puppets intend to hold the "local Assembly elections" slated for March this year through fraud and violence in a terror-ridden atmosphere of the "Team Spirit" and thus stifle the patriotic pro-democracy forces of South Korea and lay a foundation for long-term office of the "Democratic Liberal Party."

The present situation on the Korean peninsula shows that the U.S. imperialists' aggressive nature and policy of strength have not changed at all and that the moves against democracy, dialogue, peace and reunification of the South Korean puppet clique, a group of despicable war servants of U.S. imperialism, are becoming all the more heinous.

Should the U.S. imperialists and the South Korean puppets continue to stage the "Team Spirit 91" joint military exercises, defying our repeated warnings, they would be held entirely responsible for all consequences arising therefrom, the statement warns.

Coverage of Japanese Normalization Delegation Trip

Group Watches Musical Performance

SK3001114691 Pyongyang KCNA in English 1123 GMT 30 Jan 91

[Text] Pyongyang January 30 (KCNA)—The Japanese Government delegation led by Noboru Nakahira on a visit to Korea to participate in the first intergovernmental full-dress talks for the normalization of DPRK-Japan diplomatic relations appreciated a music and dance performance given by artistes in Pyongyang at the East Pyongyang Grand Theatre today.

Seeing the performance were also Vice-Minister of Foreign Affairs Chon In-chol and other officials concerned and working people in the city.

The performance was warmly acclaimed by the audience.

Japanese Compensation Demanded

OW3001144091 Tokyo KYODO in English 1342 GMT 30 Jan 91

[Excerpts] Pyongyang, Jan. 30 (KYODO)—North Korean demanded Wednesday that Japan pay compensation not only for its prewar colonial rule of the Korean peninsula but also for its hostile postwar policy toward Pyongyang, Japanese officials said.

North Korea's chief delegate Chon In-chol also demanded that Japan's apology to North Korea for its 1910-1945 colonial rule be clearly stipulated in diplomatic documents when the two nations establish full diplomatic relations.

Chon, vice foreign minister, made the demands during the first round of two days of official talks on normalizing diplomatic ties between Japan and North Korea.

The talks are being held at Mansudae Assembly Hall in Pyongyang.

In his opening remarks at the talks, Chon said, "The highest executive of Japan and the Japanese Government should first make an apology in order to pave the way for setting up diplomatic relations between the two nations."

He also told Noboru Nakahira, the head of the Japanese delegation, that the compensation issue is most important in the process of resolving past relations between Tokyo and Pyongyang. Chon proposed that a reparation formula between warring nations and the right to claims on property be applied in resolving the Japanese compensation issue for North Korea. Chon insisted that the defunct Japanese Imperial Army and the People's Revolutionary Army led by North Korean Leader Kim Il-song were at war for 15 years from the viewpoint of international law.

Earlier in the day, Nakahira rejected a North Korean demand for Japanese war reparations, saying that Japan was not at war with Korea during World War II. The Japanese chief negotiator, however, admitted that the right to claims on property has not been settled between the two nations.

Chon said, "Japan has no right to claims on property it created in North Korea during the colonial rule because those properties were the results of hard labor by Korean people." Explaining a claim for compensation for losses Japan inflicted on the Korean people during the 45-year postwar period, Chon said, "Tokyo bears some responsibility for the division of the Korean peninsula."

He contended that Japan supported the United States during the 1950-53 Korean war, adding Tokyo, along with Washington, adopted hostile policies toward Pyongyang after the war. Chon further said that the interest which would have accrued from the compensation Japan has neglected to pay for its prewar colonial rule would have amounted to a vast sum.

North Korea also demanded that Japan return cultural assets which were taken out of the Korean peninsula by Japan during the colonial period. [passage omitted]

After the first day of the two-day talks, Chon told reporters in a hotel that North Korea is calculating the amount of money which Pyongyang will ask Tokyo to pay in compensation.

Prior to the talks, Nakahira met with North Korean Foreign Minister Kim Yong-nam and extended a Japanese apology for its colonial rule of Korea, Japanese officials said.

Help on Nuclear Talks Sought

OW3101074491 Tokyo KYODO in English 0731 GMT 31 Jan 91

[Text] Pyongyang, Jan. 31 KYODO—North Korea asked Japan on Thursday to help arrange direct talks between Pyongyang and Washington over inspection of North Korean nuclear facilities by the International Atomic Energy Agency (IAEA), Japanese officials said.

Pyongyang's delegation filed the request during the second-day session of the first round of normalization talks between Japan and North Korea in Pyongyang, which closed later in the day.

North Korea ratified the 1970 nuclear nonproliferation treaty in 1985, but it has not allowed the IAEA to inspect its nuclear facilities to ensure that they are not being used for weapons production, maintaining that the United States must first withdraw its nuclear weapons from South Korea.

During the two days of talks, Japan repeatedly demanded that North Korea accept inspections of its nuclear facilities by the IAEA to erase anxiety in Japan and other countries that Pyongyang is developing nuclear weapons.

Noboru Nakahira, a former ambassador to Malaysia, headed the Japanese delegation to the talks, while Vice Foreign Minister Chon In-chol led the North Korean team.

Japan and North Korea agreed to hold a second round of the full-scale negotiations aimed at establishing diplomatic relations in Tokyo in the first half of March, the officials said.

Chon In-chol Views Nuclear Issue

SK3001161691 Pyongyang KCNA in English 1520 GMT 30 Jan 91

[Text] Pyongyang January 30 (KCNA)—Chon In-chol, vice-minister of foreign affairs, who is heading our side's delegation to the first intergovernmental full-dress talks for the normalization of DPRK-Japan diplomatic relations, clarified our basic stand regarding the question of signing the nuclear safeguards accord in a news briefing at the end of the first-day's afternoon session.

Already at the preliminary talks we made it plain that signing the nuclear safeguards accord is not, by nature, a matter that should be discussed at the talks for the normalization of DPRK-Japan diplomatic relations, Chon In-chol said, and went on: however, we are going to clarify our stand on this issue as the Japanese side brought it forward again.

We have never refused to sign the nuclear safeguards accord, but we intend to sign it as early as possible.

A principled agreement has been reached between the International Atomic Energy Agency and us on the question of signing the accord, and we are ready to sign it any time.

The solution of this question is being delayed because the United States keeps a large number of nuclear weapons in South Korea and constantly threatening us with them.

If this nuclear threat to us is removed, we will immediately sign the accord.

We demanded that the United States remove the threat of nuclear attack on us, giving assurances that we would sign the nuclear safeguards accord.

The question remains unsolved as the United States stubbornly refuses to accept this just demand.

It must be recalled that even the International Atomic Energy Agency manifested its official view that its debate with us on the signing of the nuclear safeguards accord came to a close and "an early realization of nuclear inspection will depend on future negotiation between the DPRK and the United States."

We think it necessary to understand that the question of signing the nuclear safeguards accord on the part of our Republic is, in fact, under special circumstances which cannot be seen in any other country.

We joined the Nuclear Non-Proliferation Treaty in 1985.

This proceeded from our sincere desire to remove the nuclear threat on the Korean peninsula.

After joining the treaty we put forward a proposal to turn the Korean peninsula into a nuclear-free zone.

Since 1985 when we joined the Nuclear Non-Proliferation Treaty, the scale of the "Team Spirit" joint military exercises has expanded year after year and this is vivid proof that the nuclear threat of the United States to us has assumed more open and provocative nature.

In the specific case of our country, the question of signing the nuclear safeguards accord is not merely confined to the fulfilment of the legal obligation under the Nuclear Non- Proliferation Treaty but is inseparably linked with the vital question of defending the existence of the nation and the security of the state, we may say.

The Nuclear Non-Proliferation Treaty stipulates that its signatory is under obligation to sign the safeguards accord and, at the same time, has the right to defend its existence and the right to demand guarantee of its security.

The two aspects, the right and obligation, must be studied in a unified context and the legal obligation under the treaty cannot be fulfilled at the sacrifice of the vital legal rights concerning the existence of the nation and the security of the state.

These two aspects must be resolved in parallel under all circumstances.

Therefore, we rightly demanded that the United States give legalbinding assurances of non-use of nuclear weapons with legal binging in exchange for our signing of the safeguards agreement.

And we have proposed time and again negotiation between the DPRK and U.S. Governments on this question.

Our demand for U.S. security assurances of non-use of nuclear weapons with legal binding is by no means unreasonable but justifiable in the spirit of the Nuclear Non-Proliferation Treaty itself.

The United States, however, has refused to stop the nuclear arms race and continued the vertical nuclear proliferation, openly violating its treaty obligations.

It is only too natural that the DPRK which faces direct nuclear threat should demand a guarantee of non-use of nuclear weapons, when a majority of non-nuclear states which are not under nuclear threat demand an unconditional guarantee of non-use of nuclear weapons, saying that the United States' assurances to this effect are not clear.

It is not fortuitous that the view is gaining strength in the U.S. political circles that it is not unreasonable for the DPRK to refuse to sign the nuclear safeguards accord since the United States has deployed nuclear weapons in South Korea and the conversion of the Korean Peninsula into a nuclear-free zone will be a way of solving the problem of nuclear inspection.

The United States' unilateral demand that only we sign the nuclear safeguards accord and allow inspection will never be met because it is a high-handed act against our Republic. We would like to demand that the United States allow a simultaneous inspection of the U.S. nuclear weapons deployed in South Korea and our peaceful nuclear activities, if it is interested in our peaceful nuclear activities.

In conclusion, I am going to mention one problem we want to raise because the Japanese side has brought forward the problem of signing the nuclear safeguards accord.

Whether the problem of signing the nuclear safeguards accord is quickly solved between the DPRK and the International Atomic Energy Agency, or not, depends, in the final analysis, on the removal of a superpower's nuclear threat to a small non-nuclear state.

From this point of view, we consider that Japan, the first A- bomb victim, should not side with a superpower posing a nuclear threat or support its position but should naturally sympathize with and support the position of our Republic which is trying hard to avert the nuclear threat.

We think it wiser for the Japanese Government to sincerely advise the U.S. Government, its friend, to hold inter-governmental negotiation with the DPRK on the problem of the nuclear safeguards accord, than to ask us to discuss the problem of signing the accord.

We fully understand Japan's view that she has to pay attention to the problem of signing the nuclear safeguard accords because it is related to the problem of the security of Japan itself.

So, we think that it is the best way for the Japanese side to fully support our fair proposal for making the Korean peninsula a nuclear-free zone.

In view of the stand of Japan which laid down the non-nuclear three principles, it has no ground to fail to do so and this conforms with the interests of Japan, we think.

Intergovernment Talks Conclude

SK3101102391 Pyongyang Domestic Service in Korean 0550 GMT 31 Jan 91

[Text] The first intergovernmental full-dress talks for the normalization of DPRK-Japan diplomatic relations ended today.

Present at the talks on our side were the members of the DPRK Government delegation led by Chon In-chol, vice-minister of foreign affairs, and on the opposite side were the members of the Japanese Government delegation headed by Noboru Nakahira, specially appointed ambassador at vice-minister level of the Foreign Ministry of Japan.

At the two-day talks, heads of the government delegations of the two countries made keynote speeches on the agenda on which the two sides had reached an agreement at the preliminary talks for the normalization of DPRK-Japan diplomatic relations. Following this, they exchanged their views. The talks proceeded in an amicable atmosphere.

After the second-day session of the talks, Chon In-chol held a news conference at the Koryo Hotel in Pyongyang. Present at the news conference were reporters from our country's broadcasting stations and news agency, the Japanese reporters, and foreign correspondents in our country. Chon In-chol, head of the delegation, made a statement at the conference.

[Begin Chon recording] The first DPRK-Japan intergovernmental talks ended this morning. At today's talks, both sides exchanged views on issues discussed yesterday and on other matters of mutual concern—the fourth agenda item. At the talks, our side spoke on the legal status of Korean residents in Japan and Japanese spouses of Koreans.

I will now briefly explain the content of our remarks.

As for the issue of legal status of Korean residents in Japan, it is in essence an issue produced as a result of the Japanese colonial rule over our country in the past. Therefore, we consider it a moral obligation for Japan to give special treatment to Korean residents in Japan, unlike other foreigners. However, the deserved legal status and treatment as citizens of the sovereign state, apart from special treatment, have not been afforded to Korean residents in Japan up to now. The Japanese authorities implemented repressive and discriminatory policy on the General Association of Korean Residents in Japan [Chongnyon], an organization of Korean compatriots in Japan, as well as on Korean residents in Japan.

Thus, we maintained that since both sides agreed to eliminate the events which took place in the past between the two countries and to establish a good-neighbor relationship, the Japanese side should handle the issue of legal status of Korean residents in Japan differently than in the past in compliance with such an agreement. We emphasized that the Japanese side should discard all its policies hostile to Chongnyon, an organization of overseas citizens of our Republic, and should ensure and protect its activities.

Then we held that the Japanese side should recognize and ensure the nationality of Korean residents in Japan. Up to now the Japanese side did not recognize the Korean residents in Japan as being nationals of our Republic, claiming that diplomatic relations were not established between the two countries.

Thus, we maintained that since we agreed to normalize diplomatic relations, the Japanese side should legally recognize the nationality of the Republic possessed by Korean residents in Japan, and should discard forcing them to be ROK citizens and apply the law on nationality of the ROK. We also stressed that the Japanese side should recognize the request of changing ROK citizenship to DPRK citizenship, and the request for obtaining the nationality of our Republic, by relinquishing the nationality of Japan.

We also held that the Japanese side should basically correct the alien registration law which treats Korean residents in Japan as criminals. For example, the obligation to always carry an alien registration card, fingerprints, the system on punishment, and so on, should be abolished.

Next, we maintained that the Japanese side should ensure the right of Korean residents in Japan for a stabilized residence and should correct and simplify complex restrictions on their entry into and departure from Japan. The Japanese side imposed various restrictions on entry into and departure from Japan by Korean residents, and discriminated against those who are DPRK nationals. We urged the Japanese side to abolish such restrictions and discriminatory actions.

We emphasized that the Japanese side should recognize the right for national education for the children of Korean residents in Japan, and should offer conveniences and cooperation for this education. We called on the Japanese side to recognize the right of national education for Korean residents in Japan; to take steps for similar financial support for the Korean schools as that of Japanese schools; and to abolish systems discriminating against graduates of Korean schools when entering Japanese universities, in obtaining various licenses, and in giving assignments to them.

We also urged the Japanese side to more satisfactorily ensure business activities and living conditions of Korean residents in Japan.

We held that the Japanese Government in particular should correctly investigate its past crimes—including forcible mobilization of Koreans and their forced labor during the period of Japanese imperialists' colonial rule, and the true status of Korean victims of atomic bombing—and should make the findings of its investigation public. We called on Japan to take steps for compensation for victimized compatriots and their bereaved families.

We stressed that such demands by our Republic are not unreasonable at all in view of historic characteristics of the issue of Korean residents in Japan, of the practical situation of their long life in Japan, and of international laws and international practices.

We mentioned the issue of Japanese spouses living in our country. The majority of Japanese spouses living in our country are the wives of Koreans who followed their husbands returning from Japan. The Japanese wives obtained the nationality of the DPRK according to their free will. They are satisfactorily exercising all their rights and duties as citizens of the Republic. The Japanese wives have formed solid homes and are enjoying a stabilized life without any discrimination, according to the correct national policy of the Government of our Republic and humanitarian steps. Thus the problem, if there is any, is that they have not been able to meet their offspring in Japan—including parents and relatives—and to freely visit their homeland. This issue is related to the fact that our two countries have not established diplomatic relations.

Therefore, we notified the Japanese side that if diplomatic relations between the DPRK and Japan are normalized, the Government of the Republic will permit the Japanese spouses to visit Japan according to their wishes, not to mention communications including exchange of letters, and will take necessary steps for their relatives in Japan so that they can freely visit their homes.

These are the major contents of our side's remarks made at today's talks.

We consider these first talks to be of great significance because they mean the beginning of official intergovernmental talks between the DPRK and Japan, and because the talks are a first step forward to the normalization of relations.

Since our talks were the first of its kind, the two sides merely expressed basic positions and did not enter further into specific concrete discussions. The talks proceeded in an amicable and sincere atmosphere.

At today's talks, we agreed to hold the second round of talks in the first half of March in Tokyo. [end recording]

Following this, Chon In-chol answered reporters' questions.

Search for Nationals Requested

OW3101092991 Tokyo KYODO in English 0917 GMT 31 Jan 91

[Text] Pyongyang, Jan. 31 KYODO—A Japanese Government delegation asked North Korea on Thursday to open an investigation into three Japanese nationals reportedly living in the country after they went missing while staying in Europe about 10 years ago, Japanese officials said.

Tokyo's delegates made the plea during the second-day session of the first round of normalization talks between Japan and North Korea in Pyongyang, which ended later in the day.

The missing three recently wrote letters to their family members in Japan, in which they said they are now living together in North Korea.

WPK Sends Greetings to Japan's Socialist Party

SK3001143591 Pyongyang KCNA in English 1118 GMT 30 Jan 91

[Text] Pyongyang January 30 (KCNA)—The Central Committee [CC] of the Workers' Party of Korea [WPK] sent a message of greetings Tuesday to the 56th regular national convention of the Japan Socialist Party (JSP).

The message says:

The C.C., the WPK warmly hails the 56th regular national convention of the JSP and axtends warm greetings to your entire party members.

The JSP has made much effort to expand its force in the past and achieve peace and stability in Asia and the world.

Last year your party was very active for the development and strengthening of the traditional relations of friendship between our two parties and for friendship between the Korean and Japanese peoples and normalisation of DPRK-Japan relations.

Your party's activities were righteous ones conforming to the aspirations and desire of the Korean and Japanese peoples.

Expressing the belief that the friendly and cooperative relations between our two parties will continue to strengthen and develop favourably in the future, the Workers' Party of Korea takes this opportunity of heartily wishing your party greater success in the work of the convention and in its future activities to implement its resolutions.

Daily Discusses Need for Asian Development

SK2501105391 Pyongyang KCNA in English 1025 GMT 25 Jan 91

["Building of Independent, Prosperous New Asia Is Requirement of Developing Reality"—KCNA headline]

[Text] Pyongyang January 25 (KCNA)—The diligent and talented Asian people will build an independent, peaceful, prosperous new Asia by uniting, supporting and cooperating with one another on the principles of independence, equality and mutual benefit, says MINJU CHOSON today in a by-lined article titled "Building of Independent, Prosperous New Asia Is Requirement of Developing Reality."

The article quotes the great leader Comrade Kim Il-song as saying:

"Today Asia is entering a new stage of development.

"If they unite and cooperate closely with one another on the principles of independence, equality and mutul benefit, the diligent and talented Asian people can achieve the security and common prosperity of Asia and contribute to the cause of world peace."

Today Asia is entering a new stage of its development, the article says, and continues:

The peoples of many Asian countries are opposing all manner of domination and subjugation and striving to defend national independence and safeguard political sovereignty. And they are developing the economy and culture, effectively utilizing advanced technology and their natural resources on the road of achieving prosperity and development of their countries.

The Asian people have sufficient conditions and possibilities to build a new Asia, independent and prosperous.

In the course of the emergence and development of human society, the Asian people have played a role of forerunners in many cases and made a great contribution to the development of the world economy and culture.

Rich human and material resources of Asia are a great potential for the building of a new society and the prosperity and development of the countries.

The reality of Asia which has entered a new stage of development demands the people in this region to unite and cooperate closely with one another in building an independent, prosperous new Asia.

To unite and cooperate is an indispensable requisite to the building of a new Asia, independent and prosperous, and a fundamental guarantee for common prosperity.

What is important for the Asian people in uniting and cooperating with one another is that each country maintains independence. The Asian countries should develop their relations on the principle of respecting others' independence and truly helping them in their independent development.

If unity and cooperation of the Asian people is to be true, the principles of equality and mutual benefit should be maintained. The Asian people can display an invincible might in their struggle for common prosperity when they establish good-neighbourly and friendly relations in uniting and cooperating on the principle of equality and mutual benefit.

The government of the DPRK and the Korean people who consistently maintain external policy of independence, peace and friendship, attach great importance to unity and cooperation with the Asian people and make every possible effort for its realisation.

Increase in Consumer Goods Production Urged

SK2501012091 Pyongyang Domestic Service in Korean 0007 GMT 19 Jan 91

[NODONG SINMUN 19 January editorial: "Let Us Effect a Turn in the People's Consumer Goods Production by Thoroughly Implementing the Party's Light Industrial Revolution Policy"]

[Text] Epochally increasing the people's consumer goods production is one of the important tasks on which we must place emphasis this year to improve the people's standard of living.

By upholding the great leader Comrade Kim Il-song's new year address, we must thoroughly implement the party's light industrial revolution policy and effect a great turn in the people's consumer goods production. The great leader Comrade Kim Il-song has taught: We must thoroughly implement the party's light industrial revolution policy and epochally increase the production of various people's consumer goods, including textiles.

To satisfactorily meet the people's growing demands in their living standard, we must effect a decisive turn in the people's consumer goods production. Toward this end, our party has put forth the light industrial revolution policy and encouraged the party, country, and people to its implementation.

The light industrial revolution initiated by our party is one to materially guarantee our people's independent and creative life and to make them live an even better life. Solving the problem of people's consumer goods in an excellent manner, and as soon as possible according to the people's desires and demands, is the party's plan and intent pursued through the light industrial revolution policy. The party's light industrial policy is a reflection of the popular line of our party which struggles by all means for the people's interests and happiness under the slogan "Serve the People."

Our party's light industrial revolution policy shows all the ways and methods to meet the people's growing quantitative and qualitative demands for people's consumer goods—from increasing the people's consumer goods production, increasing their varieties, and improving their qualities within a short period of time through the existing light industrial foundation, to further expanding the light industrial foundation.

Accordingly, if we adhere to the party's light industrial revolution policy and thoroughly implement it, the level of the people's material and cultural living can be enhanced a step higher, and as a result of this, the superiority of our country's socialist system can be even more clearly displayed in all areas of social life and our country can become an even happier people's paradise.

All functionaries and working people of light industry, with honor and pride embedded in their minds because they work in an important area responsible for improving the people's standard of living, must thoroughly implement the party's light industrial revolution policy and effect a decisive turn in the people's consumer goods production. To this end, the functionaries and working people of the sector must first of all perform in a manner worthy of masters with a high spirit of service for the people.

Those who are directly in charge of the party's light industrial revolution policy are precisely the functionaries and working people of the light industry, and thus our party has deep trust and great expectations toward them. The functionaries and working people of the sector must struggle with high consciousness because they are responsible for the people's living standard. They must struggle with the spirit of sacrificial service for the people and with the manner worthy of masters. At the same time, they must overcome difficulties and obstacles by their own effort.

If they believe in their capabilities, and if they are self-reliant and struggle arduously with firm determination that they would resolve everything with their own strength even if the higher echelons do not supply the necessities, then although it would be better if the higher echelons did supply them, they can thoroughly implement the party's light industrial revolution policy and bring about upsurges in consumer goods production.

In everything, belief is important. Without belief in victory, what can be additionally accomplished would not be accomplished, and one may give up even before surmountable difficulties. This is truth proven through practice in the revolution.

With pride and confidence that we have the wise leadership of the party and leader, have the boundless might of our people who have firmly rallied around the party, and have the powerful self-reliant national economy, the functionaries and working people of the light industry must turn out in an even more revolutionary manner in order to effectively utilize the existing foundation of light industry. By so doing, they must guarantee the full operation of the facilities under all circumstances, stabilize production at a high level, and epochally increase the people's consumer goods production.

Properly solving the problems of raw materials and resources is an important guarantee for stabilizing production at light industrial plants. By realizing that it is our party's invariable policy to develop light industry with our country's natural resources and raw materials, the light industry and the related units must properly solve the problems of synthetic fibers, synthetic resins, basic chemical products, steel materials of various sizes and qualities, secondary metal products, and all other materials and products needed by the light industry.

At the same time, they must by all means independently solve the problems of raw materials and resources which are insufficient or not produced domestically. They must strictly observe the per-unit raw material consumption standards and systematically reduce the raw material consumption rates. By so doing, they must produce more with available raw materials and resources.

Facilities are an important means of production; they are like weapons for the army. Only when good facilities are available will it be possible to stabilize production. The functionaries and working people of light industry, with high consciousness that they are the masters of the country and the masters of production, must take good care of their facilities and maintain them properly. At the same time, they must fully familiarize themselves with the operation of the facilities. In particular, they must vigorously carry out the loyal-model-unit creation movement to emulate the No. 26 lathe and must conduct the facilities inspection, repair, and maintenance work properly and regularly.

Production is a very complicated process in which manpower, facilities, and raw materials are systematically combined. Therefore, without proper organizational work and guidance, effective production is not possible. The functionaries of the light industry, according to the Taean work system, must make an effort to be even more meticulous in conducting the production organizational work and guidance work.

Increasing the varieties of people's consumer goods and improving their qualities are one of the basic tasks of the light industrial revolution. Only by increasing the varieties of consumer goods and by improving their qualities will it be possible to guarantee an even more affluent and civilized material and cultural life for the people. At the same time, only then will it be possible to economize facilities, raw materials, and funds.

The light industry must actively expand the varieties of consumer goods needed by the people, must further expand or perfect the technological processes, and must thoroughly fulfill scientific and technological requirements in production. At the same time, production must be specialized and workers' skills and technologies ceaselessly upgraded.

The local industries which we have established with so much effort are the great assets for our people's well-being. Therefore, if they are properly operated, many problems can be solved in the people's consumer goods production.

The provinces and counties must establish more of their own raw material bases; reap wild fruits, nuts, and herbs in time; and properly conduct the collection work. By so doing, they must fully operate their local industrial plants and meet the demands of the residents by producing various food stuffs, daily necessities, and furnitures.

Increasing the people's consumer goods production through a mass campaign is an important policy of our party, and in particular the 3 August people's consumer goods production campaign is a comprehensive mass campaign through which we can effectively mobilize and utilize hidden resources through the masses and can epochally increase the production of various people's consumer goods through their creativity. The great vitality of the campaign has already been displayed in waging the light industrial revolution.

Based on the successes and experiences gained in the 3 August people's consumer goods production, all rural areas and all plants and enterprises must make the campaign even more mass-oriented. To this end, household work teams and side business work teams must be further diversified in organizing and operating according to the prevailing situation, and the roles of the household service personnel further enhanced.

At the same time, at the central industrial plants and enterprises, the number of daily necessities plants, work shops, and work teams must be further increased and hidden resources must be actively dug out and utilized to stabilize production at a high level.

To epochally increase the consumer goods production through the light industrial revolution, the related sectors must effect renovations. The functionaries of the chemical, metallurgical, and other industries must correctly understand our party's light-industry-first policy. They must swiftly produce and supply the raw materials, equipment, facilities, and electronics and automation elements needed to increase the people's consumer goods production and accelerate the modernization of the light industry.

In particular, the chemical industry must increase the production of various synthetic fibers needed for the textile production, and the transportation sector must swiftly transport the produced raw materials and products to the light industrial plants.

In carrying out the light industrial revolution, the missions of the party organizations are very important. The party organizations, by adhering to the party's light industrial revolution policy, must vigorously encourage the party members and working people to implement it. Presently, the party organizations must continue to actively conduct the organizational work and the political work to encourage party members and working people to accomplish the tasks put forth in the great leader Comrade Kim Il-song's new year address and in the dear Comrade Kim Chong-il's historic document "On Thoroughly Waging the Light Industrial Revolution."

By so doing, they must ensure that the functionaries of light and other industries as well as party members and working people maintain boundless loyalty to the party and leader and thoroughly implement the party's light industrial revolution policy with the spirit displayed at the time of the great chollima upsurge and with the revolutionary spirit of self-reliance and arduous struggle.

Benefits for Disabled Soldiers Increasing

*SK2401152991 Pyongyang KCNA in English
1459 GMT 24 Jan 91*

[Text] Pyongyang January 24 (KCNA)—The state and social benefits conferred upon the disabled soldiers are on an increase in the Democratic People's Republic of Korea.

Last year all the disabled soldiers of the country received additional benefits each which are equal to their yearly living expenses.

The government of the Republic shows special care for the disabled soldiers who were wounded while fighting for the fatherland and the people.

The state has built disabled soldiers' factories in different parts of the country so that they could secure stable jobs and work suitable to their physical conditions, and annually supplies them with many tonics on top of regular medical assistance.

The state grants them a large sum of subsidies and nursing benefit beside their living expenses, and their vacation is 7 days longer than that of ordinary factory and office employees.

The government of the Republic awards titles and high state decorations of every description to disabled soldiers in recognition of their meritorious services for the socialist construction.

There are recipients of Kim Il-song Order and Kim Il-song Prize winners, labour heroes and deputies to the Supreme People's Assembly among the disabled soldiers.

'Human Remoulding' Guarantees Socialist Success

*SK2301153391 Pyongyang KCNA in English
1500 GMT 23 Jan 91*

["Success in Human Remoulding Is Sure Guarantee for Solidity and Invincibility of Our Socialism"—KCNA headline]

[Text] Pyongyang January 23 (KCNA)—NODONG SINMUN today dedicates an article entitled "Success in Human Remoulding Is Sure Guarantee for Solidity and Invincibility of Our Socialism" to the 30th anniversary of the publication of "The Main Thing in Party Work Is To Educate, Remould and Unite All People", a historical work of the great leader Comrade Kim Il-song (January 23, 1961).

This is a highly important work which indicates the road of remoulding all people in a communistic way and of building socialism and communism with success, the author of the article says, and goes on:

In the work, Comrade Kim Il-song underlined the significance of transformation of man in a communistic way in socialist construction and expounded questions of principle arising in it and put forward a task of firmly uniting all the masses behind the party by educating and remoulding them. It is a historical work which has made a great contribution to accomplishing the communist cause because it raised human remoulding, one of the fundamental factors deciding on success in the building of socialism, as the main thing in party work and has helped push ahead with this work in depth.

Over the 30 years since it was published, the idea, theory and policy laid down in the work have displayed enormous vitality in practice.

What is important in the leadership of our party which succeeded in transforming man is that it raised the remoulding of man as the most important thing in socialist construction and gave a definite precedence to it.

The great leader Comrade Kim Il-song has taught:

"Our building of socialism and communism is designed to make everyone live a life of plenty. It is crystal-clear that this aim cannot be attained with the effort and strength of a handful of people alone. Without enlisting the enthusiasm and creative activity of millions of working masses, it is impossible to accomplish the cause of building socialism and communism."

Ever since he started our revolution by awakening and organizing the popular masses the great leader has put forward many unique ideas and theories on transforming man and directed the biggest efforts to the education and transformation of people. Communism cannot be built only by conquering the material fortress and only when the ideological fortress is occupied can the material fortress be conquered and communism be built—this is the outstanding idea and theory advanced by the great leader. The history and practice of the international communist movement clearly prove the validity of his idea and theory of occupying the ideological fortress of communism and transforming man.

In our country today the question of transformation of man, the most difficult and important task of building socialism and communism, is being solved successfully and socialist construction as a whole is being pushed forward without turns and twists. This reality is a precious fruition of the wise guidance of our party that has given priority to the work of transforming man.

What is important in our party's leadership in successfully solving the question of transforming man is also that it correctly defined the content and methods of ideological education in keeping with the requirements of the development of the reality and has properly applied them.

On the basis of a correct definition of the basic traits to be possessed by a communist revolutionary of chuche type, our party indicated the content of various forms of ideological education such as education in the principles of the chuche idea, education in loyalty, class education, education in party's policies, education in revolutionary traditions and has vigorously conducted education in the chuche idea and made sure that the forms and methods of ideological education including education through explanation and persuasion were improved and completed constantly.

What is important in our party's leadership in successfully solving the question of transforming man is also that it has converted this work definitely to the work of the masses themselves.

In the first period of socialist construction our party had already pressed ahead with the mass ideological transformation movement through which those who go ahead of others lead those who lag behind them, closely combining it with collective innovations, through the chollima movement and various other mass movements, and thus steadfastly turned the work of transforming man into a work of the masses themselves.

Today the three-revolution Red Flag Movement and the campaign to follow the examples of the unassuming heroes which are being conducted under the leadership of our party are high forms of communist mass movements to model the whole of society on the chuche idea; they serve as a powerful means to prepare all the people as genuine communist revolutionaries.

The future of our socialism is surely guaranteed because our party's policy of transforming man in a communist way is most just and it is being realised brilliantly.

Revolutionary Episodes of Kim Chong-il Published

SK2301154991 Pyongyang KCNA in English
1517 GMT 23 Jan 91

["New 'Legends' of Workers' Party Age"—KCNA headline]

[Text] Pyongyang January 23 (KCNA)—Many revolutionary episodes about dear Comrade Kim Chong-il are abroad in the Democratic People's Republic of Korea.

The April 15 Writing Group and the Literary and Art Publishing House recently collected and published some 130 of the revolution episodes.

These episodes are based on what people from all walks of life have witnessed and experienced. Among them are anti-Japanese veteran fighters, officials of different organs, workers, peasants, intellectuals, and so forth; people engaged in some 100 occupations.

They are new "legends" of the Workers' Party era telling dear Comrade Kim Chong-il's boundless love of the country and people, his clairvoyance and boldness, revolutionary fidelity and communist humanity.

Revolutionary episodes such as "In a Test Plane," "After Receiving a Phone Call" and "Few Glimpses of On-the-Spot Guidance" show his endless devotion to the cause of revolution.

"Few Glimpses of On-the-Spot Guidance" tells a story that dear Comrade Kim Chong-il, in ten days of March, 1975, gave on-the-spot guidance to scores of units in three provinces, covering a course of 2,400 kilometers and in June that year, he travelled thousands of ri in a matter of two days from the shore of the Amnok River to the east and west coastal areas to acquaint himself with the work of construction, agriculture and other sectors and give guidance in them.

Central People's Committee Awards Merit Title

SK2401140591 Pyongyang Domestic Service
in Korean 1200 GMT 23 Jan 91

[Text] A decree was issued by the DPRK Central People's Committee awarding the title of meritorious tailor to Comrade Yi Son-uk.

In the decree it said that Comrade Yi Son-uk, tailor of the Nampo Revolutionary Institute, is awarded the DPRK meritorious tailor title and the order of labor. It said that he highly upheld the leadership of the party; was an exemplary model in carrying out the entrusted revolutionary task while serving in the service facilities sector for a long time; and contributed to providing conveniences to the students in their everyday lives.

Democratic Women's Union Central Committee Meets

SK2401050091 Pyongyang KCNA in English
0428 GMT 24 Jan 91

[Text] Pyongyang January 24 (KCNA)—The 14th plenary meeting of the central committee of the Korean Democratic Women's Union [KDWU] was held here on January 22 and 23.

Discussed at the plenary meeting were matters of further improving and strengthening ideological education among the KDWU members to meet the requirements of the present situation.

Stating that it is important to strengthen ideological education among the KDWU members under the circumstances where the anti-socialist moves of the imperialists and reactionaries are intensifying as never before, the plenary meeting put forward concrete tasks arising in the work for firmly uniting all the KDWU members around the party and the leader.

Mass Musical Works Contest Held Jan-Aug 1990

SK2601152991 Pyongyang KCNA in English 1516 GMT 26 Jan 91

[Text] Pyongyang Jan. 26 (KCNA)—A national mass musical works prize contest was held in Korea from January to August last year to celebrate the 45th anniversary of the founding of the Workers' Party of Korea (October 1945) and the 45th anniversary of national liberation (August 1945).

More than 700 works were presented at the prize contest divided into adult songs, juvenile songs and instrumental music, in which hundreds of people of various strata including workers, peasants, students, soldiers and teachers participated.

The prize contest was characterised by the greater proportion of workers and peasants than ever before and the creation of many musical works which simply and truthfully sing of the independent and creative life of the working people in the peculiar socialist society.

South Korea

Government Plans To Contribute to Gulf Effort

Proposes $280 Million in Gulf Aid

SK3001122791 Seoul CHUNGANG ILBO in Korean 30 Jan 91 p 1

[Report by correspondent Mun Chang-kuk in Washington]

[Text] In order to help the U.S. and multinational forces fighting in the Gulf, the ROK Government has decided to contribute an additional $280 million and to send a transport unit in addition to the medical team, and has informed the U.S. Government of this decision.

The ROK Government called Ambassador Gregg in on 28 January and informed him of this decision.

In the meantime, the ROK Government previously decided to contribute $220 million as the first installment. Therefore, the ROK Government will contribute a total of $500 million for the Gulf war. The first contribution covers war expenditures as well as material assistance to some of the countries in the Gulf. The current second contribution, however, will be used totally for war expenditures. Therefore, the total amount of the second installment will most likely be paid in cash.

It was learned that the ROK's contribution vis-a-vis transportation expenditures will be made by sending airplanes to help the United States relocate a total of 7,000 U.S. troops and civilian employees based in the ROK to Saudi Arabia some time this year.

In the meantime, the United States estimates the second installment of war expenditures to be $45 billion (for 90 days, $500 million a day). Saudi Arabia and Kuwait respectively will contribute $13.5 billion; Japan, $9 billion; and Germany, $5.5 million; the United States and other U.S. allies will contribute the rest—$3.5 billion. Therefore, a decision will be made on the ROK's share.

It was learned that the ROK Government made this decision based upon our capability before the United States makes a request; the U.S. Government has not responded yet to this decision.

Referring to the ROK Government's additional contribution during his 29 January interview with YONHAP, Ambassador Gregg said: "Whatever contribution it makes, the ROK is acting in its own interest as a friend of the United States, as a strong member of the association of free nations, and as a country that knows well how horrific aggression is." In this way, he stressed that any additional contribution is a matter that the ROK Government will decide on by itself.

He also said that the United States had not asked the ROK to send combat troops, adding: "If the ROK decided that it was in its interest to send troops, that would be something that Korea would have to decide for itself."

The ROK and the United States are scheduled to discuss details of the ROK's contribution at a coordination meeting of countries that are involved in the Gulf, a meeting scheduled to be held in Washington on 5 February.

Reports Breakdown of Aid

SK3101130291 Seoul YONHAP in English 1230 GMT 31 Jan 91

[Text] Seoul, Jan 31 (YONHAP)—South Korea will offer 110 million U.S. dollars of its additional support to the U.S.-led allied forces in cash, Deputy Prime Minister Yi Sung-yun said Thursday.

The remainder, 170 million dollars, will be provided in heavy equipments, construction equipments or computers, Yi said.

Answering questions in a National Assembly Economy-Science Committee Hearing, Yi also said, "The cash aid will be borne by the money held in reserve in the national budget's general account."

The government announced Wednesday a plan to offer 280 million dollars of additional financial and material support to the coalition forces. South Korea provided the forces with 220 million dollars of aid last year.

Specifies Additional Support

SK3001135391 Seoul YONHAP in English 1300 GMT 30 Jan 91

[Text] Seoul, Jan. 30 (ONA-YONHAP)—The South Korean Government decided Wednesday to dispatch a 150-member air transportation unit by mid-February to Saudi Arabia to support the multinational forces, Defense Minister Yi Chong-ku said.

Yi told reporters after attending a joint meeting of the leaders of the ruling Democratic Liberal Party and government that the government also decided to offer 280 million U.S. dollars of financial and material support to the coalition forces.

Minister Yi said the transportation squad will be manned by pilots, aircraft mechanics, communications technicians and weather specialists.

Of the the 280 million dollars of additional support, 170 million to 180 million dollars will be supplied in such equipments as helmets, clothings, antigas masks, automobiles, batteries, tyres and combat rations, said the defense chief.

Yi said the government will send the transportation unit as soon as the National Assembly approves the plan. He said the government plan is expected to be passed through the National Assembly within 15 days.

He said the unit will be deployed at a base which he said would be agreed upon in negotiations with the U.S. Government.

The Korean transportation unit is expected to be based at a U.S. Air Force base which is not threatened by direct Iraqi missile attack. The unit will be assigned to transport military supplies inside Saudi Arabia.

Assembly Briefed on Deployment

SK3101122491 Seoul YONHAP in English 1139 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—South Korea's C-130s unit to be sent to the Gulf region will be deployed in the rear of the war theater and it would not be engaged in field operations, National Defense Minister Yi Chong-ku said Thursday.

Speaking in a hearing at the National Assembly Defense Committee, Yi said, "Our C-130s will be used for transporting personnel and materials inside Saudi Arabia. They will not be used for infiltrating paratroopers of the U.S. and coalition forces (into Iraq or Kuwait)."

The government announced Wednesday that it would send five C-130 Hercules transport planes and 150 support personnel to Saudi Arabia by mid-February and provide 280 million U.S. dollars of additional financial and material aid to the U.S.-led multinational forces.

"It is not necessary to send more troops to protect the airlift unit since the unit will be deployed at a U.S. base in Saudi Arabia," Yi said.

The minister said, "It is the government position that Korea should participate in the multinational forces to strengthen its stance regarding its relations with the United States and secure a bigger say in the Gulf region after the war."

"The government's decision to dispatch C-130s and offer additional financial support to the allied forces was made to meet the necessity," Yi explained.

Opposition Criticizes Aid

SK3101080191 Seoul YONHAP in English 0615 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—Members of the National Assembly Defense Committee engaged in heated debate Thursday over the government's decision to dispatch five military transports to the Gulf and give more aid to the coalition forces.

Reps. Yu Chun-sang, Chong Ung and Kwon No-kap of the Party for Peace and Democracy, saying it was a procedural mistake for the government to make the decision without National Assembly approval, asked if the increase in support was leading toward the dispatch of combat troops.

The government announced the decision Wednesday without consulting the Assembly after leaders of the ruling Democratic Liberal Party and senior government officials had decided that five C-130 Hercules transports and 150 non-combatants would be sent to the Gulf. The non-combatants comprise pilots, aircraft mechanics and communications technicians.

The PPD lawmakers accused the government of neglecting public opinion and asked whether the dispatch of military planes and crew meant Korea's participation in the war.

They demanded that the government clarify its position on the dispatch of combat troops in case the war is prolonged.

Members of the ruling Democratic Liberal Party (DLP) defended the government position, calling for a more positive attitude in support of the allies in order to have a say in the new world order and strengthen cooperation with the United States.

Meanwhile, the DLP decided Thursday to pass the government's motion for additional dispatch of troops during the current special assembly. The Assembly Session adjourns on Feb. 9.

The PPD is yet to decide whether to approve it or not.

Sprinter Democratic Party and Minjung (People's) Party issued statements, criticizing the additional aid to the multinational forces.

Further Opposition Cited

SK3101072290 Seoul YONHAP in English 0505 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—South Korea's opposition politicians are unhappy with the government for offering to commit military transports to support the liberation of Kuwait, but there is very little they can do to prevent it.

The ruling Democratic Liberal Party's key post-holders decided Thursday to submit a motion on the dispatch of military transports and non-combatants to the national assembly before it adjourns Feb. 9.

Kim Tae-chung's Party for Peace and Democracy and the splinter Democratic Party denounced them for neglecting public opinion and called for the move to be debated.

They gave tacit approval to an earlier decision to give 220 million dollars in aid to the coalition forces but objected to last week's dispatch of a 154-member military medical team.

A government motion on the dispatch was approved by the assembly for all their protests.

DLP floor leader Rep. Kim Yun-hwan said Thursday that it was desirable for Korea to play a more positive role in the U.S.-led alliance as world order is likely to be reshaped centered on coalition members after the Gulf war and as the nation is largely dependent on Mideast oil.

"We plan to push the motion on military transports and related forces through the National Assembly as soon as possible," he said.

The DLP floor leader said 170 million dollars of additional support would be the form of cash and kind, such as truck tires.

"The transports and men will be committed to transportation of military supplies and logistics support," he said.

DLP Co-Chairman Kim Chong-pil said dispatch of the transports was rear support and would not lead to sending combat troops, as the opposition parties fear.

Emerging from a post-holders meeting, PPD Spokesman Rep. Pak Sang-chon said his party would announce its position after fully considering the "possibility of a new order in the Middle East and maximum protection of our national interests."

Rep. Kim Yong-pae, PPD floor leader, said the government motion faced difficult passage and PPD Rep. Kwon No-kap, a member of the Assembly Defense Committee, said military transports were "substantially" different from medics.

"Military transports can only be mobilized for operational support. This means the government is breaching its promise not to send combat forces," he charged.

In a meeting Wednesday, DLP leaders and senior government officials decided that five C-130 Hercules transports and 150 non-combatants would be sent to the Gulf.

The non-combatants will comprise pilots, aircraft mechanics and telecommunications technicians.

YONHAP Analyzes Aid

SK3101092191 Seoul YONHAP in English 0819 GMT 31 Jan 91

["News analysis" by Yi Tong-min: "Seoul's Gulf Aid Aimed at Safeguarding Ties With U.S."]

[Text] Seoul, Jan. 31 (OANA-YONHAP)—The Gulf war has hardly begun, but South Korea is already making plans for the days after the fighting.

To ensure that it is on the winning side when the spoils of battle are shared out, Korea volunteered another 280 million U.S. dollars in cash and kind for the U.S.-led alliance with absolutely no prodding.

The decision to increase the support from 220 million dollars to 500 million dollars was announced hurriedly in an evening press conference Wednesday, with repeated emphasis that it was being given in the absence of a U.S. request.

Probably nothing else influenced the decision-making process more than the perception of what will happen to Seoul-Washington relations after the war without a "voluntary" offer of further assistance.

Korea may seek some other benefits tied to siding with the coalition, such as guaranteed participation in the Middle East construction market and a steady oil supply.

The bare fact, however, is that risks involved in getting on the wrong side of the United States, given the virtual certainty that the allies will prevail, surely pushed Seoul to offer the aid, and to offer it quickly before the United States could ask for it, to play up the Korean contribution to, and full agreement with, the American efforts.

With the 500 million dollars, Korea hopes to prove the high regard in which it holds its ties with the United States and at the same time deal itself a strong hand to take to the post-war bargaining table as a country that stood staunchly by its friends in their time of need.

The United States was always clear on how Korea could prove its support and U.S. Ambassador Donald Gregg, in an interview with the YONHAP News Agency, had an unequivocal message Tuesday.

"I know that we are going to come out of this war with a very clear feeling about who really helped us and who really didn't help us," he said.

"I would hope that Korea would feel that by whatever contribution it makes that it is acting in its own interest as a friend of the United States, as a strong member of the association of free nations."

The second aid package, coming about three months after the first 220 million dollars was revealed in September, naturally creates uneasy vibrations because it includes the dispatch of five South Korean Air Force transport planes, a move that many fear may be a prelude to sending combat troops to fight in the desert sands.

Although President No Tae-u is said to have flatly denied any such possibility, when Defense Minister Yi Chong-ku announced details of the dispatch of the medical team Jan. 11 he said the government could consider sending soldiers to fight if not sending them might result in a national disadvantage.

The 154-member military medical team, stationed in Saudi Arabia, was sent one week after war began and was not enough for Korea to be truly counted as part of the coalition. This disturbed government officials and apparently convinced them to dig a little deeper their pockets this time by offering the planes and up to 150 support personnel.

Concerns about combat engagement in the Gulf are real enough, but the South Korean Government cannot afford to sit idly on the sidelines. Even opposition politicians acknowledge this fact and may refrain from voting against the new aid.

With the cold war era fading into memory, the global power arrangement is leaning more toward the United States and the post-war outlook is no exception. It is time, officials reason, to clarify Korea's position in the war if it does not want to find itself on the wrong side in a new power arrangement.

Seoul-Washington relations have recieved unusual attention of late, with President No and his cabinet ministers saying that improvement of the bonds was one of the primary goals of Korea's economic, foreign and defense policies.

No ordered economic ministers to minimize trade friction with the United States through cooperative talks and reminded his defense minister that, in times of fast-changing world security conditions, a close bond with Washington is crucial.

Foreign Minister Yi Sang-ok likewise placed better relations with America at the top of his policy agenda for the year.

There are legitimate concerns, despite this policy framework, about whether the present reactions by Korea are indeed necessary or even good for Seoul-Washington relations in the long run. But these are questions that the Korean Government is not willing to wait to have answered.

'Returned' Ambassador to Iraq Interviewed on Gulf

SK3101090791 Seoul CHOSON ILBO in Korean 30 Jan 91 p 4

[Interview with Choe Pong-num, ROK ambassador to Iraq who temporarily returned home on 29 January, by reporter Kim Sung-yong; date, place not given]

[Text] [Choe Pong-num] "The Iraqi Government helped our embassy staffers and workers in a very friendly manner during the course of their withdrawal from Iraq. Just before the outbreak of the war, Iraq regarded the United States and Britain as enemy countries, but showed the attitude of not classfying the others as hostile countries."

[Kim Sung-yong] Out of 11 workers from Hyundai Construction who still remain in Iraq, three are unlikely to evacuate to Iran because they have not been issued departure visas.

[Choe Pong-num] "When our embassy staffers were about to withdraw, all the Hyundai workers were issued departure visas, but they expressed their intention to remain in Iraq for the time being. On 14 January, one day before our withdrawal, we called up the director of the Consular Department of the Iraq Foreign Ministry and requested him to help our workers in case they needed visas issued later."

[Kim Sung-yong] It is thought that you should have more strongly urged the Hyundai side to withdraw from Iraq.

[Choe Pong-num] "At the final phase of withdrawal, we strongly advised the Hyundai personnel to withdraw according to the directive of the Foreign Ministry, but the Hyundai personnel persisted in remaining there due to the company situation. When the company withdrew from Kuwait last August, it was robbed of a considerable amount of equipment and materials on construction sites. It seems that the company worried about a similar recurrence."

[Kim Sung-yong] Did you have any difficulty in withdrawing at the final phase?

[Choe Pong-num] "We had only a few difficulties when 15 Samsung workers were forced to return to Baghdad as Iraqi troops at a checking post requested them to show departure approval for diplomats. They were allowed to leave the country, however, as the Iraqi Foreign Ministry, which listened to our explanation about the process, signed approvals for border passage."

[Kim Sung-yong] You decided to withdraw from Iraq on 15 January. Did you foresee the outbreak of the war?

[Choe Pong-num] "The U.S. Embassy withdrew on 15 January. Judging from my experience, I thought that something might happen when the U.S. Embassy withdrew."

[Kim Sung-yong] What reactions did the Iraqi side show to our dispatch of a military medical team?

[Choe Pong-num] "Of course they expressed considerable interest in the dispatch of the medical team, and noted that this action runs counter to the traditional Middle East policy of Korea. Relations between Iraq and our country, however, remain good. It appears that the good image of Korean workers plays a big role.

"In my opinion, there would be no big problem if the government contributes to the multinational forces to an acceptable degree in the future."

[Kim Sung-yong] Will you talk about prospects for the war?

[Choe Pong-num] "At first, we judged that the war would end before long, and thus thought of returning to Iraq while standing by in Frankfurt. We have come back home, however, because the war was likely to last longer than we expected."

[Kim Sung-yong] How reliable do you think western media's coverage of the Gulf war is?

[Choe Pong-num] "The wartime activities of mass media are subject to control to some degree. In particular, CNN reports from Baghdad are censored by the Iraqi authorities."

Workers in Iraq 'Safe'

SK3101131991 Seoul YONHAP in English 1255 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—Eleven South Korean workers missing in Iraq, all employees of Hyundai Engineering and Construction Co., turned out to be sheltering in a safe place in eastern Iraq and they will soon move to Iran by road, Construction Ministry officials said Thursday.

According to the Ministry's Gulf crisis task force, the Hyundai workers have taken shelter in Baqubah, some 100 kilometers off the Iranian border. They are taking necessary legal steps to cross the border.

Their stay in the eastern Iraqi city was confirmed by a Jordanian driver, who had gone to Iraq to learn their whereabouts under a contract with Hyundai. The driver reportedly met the Korean workers in Baqubah Wednesday and returned to Jordan Thursday.

The Jordanian driver fetched a letter written by the workers on January 27, the officials said.

540 Citizens in Saudi Arabia To Come Home 5 Feb

SK2901030691 Seoul YONHAP in English 0219 GMT 29 Jan 91

[Text] Seoul, Jan. 29 (YONHAP)—South Korea will send a plane to Jiddah, Saudi Arabia, Feb. 5 to bring home some 540 of its citizens, Assistant Foreign Minister for Economic Affairs Yi Ki-cuo said Tuesday.

"We heard Sunday from our embassy in Saudi Arabia there are 541 Korean nationals, including 395 employees of construction companies, who have expressed a desire to return," Yi, also chief of the ministry's Gulf emergency center, said.

Should the number of people increase, the government may send two planes, he said.

Police Intensify Security at Foreign Schools

SK3101004190 Seoul THE KOREA HERALD in English 31 Jan 91 p 3

[Text] The Seoul Metropolitan Police Bureau yesterday ordered intensified security checks at foreigners' schools in the metropolitan area in the face of possible Arab terrorist attacks.

In its directives to police stations, the Seoul police called for the establishment of hot lines between the schools and police stations and boxes in the areas.

It said that all police officers on guard in downtown Seoul should also be on alert against terrorist acts directed at foreign school children.

Kim Tae-chung Predicts 'Certain Reunification'

SK3001024791 Seoul YONHAP in English 0116 GMT 30 Jan 91

[Text] Seoul, Jan. 30 (YONHAP)—Opposition Leader Kim Tae-chung predicted Wednesday certain reunification with North Korea within five years, demanded that an investigation into three lawmakers for accepting junkets be expanded to all officialdom and promised to make it party policy to adopt a vice presidency.

In an address to the National Assembly, the president of the Party for Peace and Democracy (PPD) also said North Korean leader Kim Il-song is the only one who can make concessions or decisions on reunification, and thus reunification must be resolved during his lifetime.

"The PPD can assure the country that it can be reunified in the next five years under a republican confederate system," he said.

Kim apologized for the scandal involving the three lawmakers, two from his party, who are accused of using 20,000 U.S. dollars from the Korea Foreign Trade Association (KFTA) export promotion fund to pay for a trip abroad.

Noting that cabinet ministers and assemblymen used the fund, he claimed the president's office and the Agency for National Security Planning (NSP) dipped into the purse as well.

Of the 8 billion won spent by the fund last year, national assemblymen got only 400 million won and the rest went to the government, he claimed.

The government and the prosecution are politicizing the scandal, he charged, calling for a probe into all sectors of the government.

The country was at a point where dramatic changes in the political system were necessary, the opposition leader said, vowing to make the creation of a vice presidency a major campaign issue in the general elections.

He proposed a seven-member leadership council comprising a president, a vice president, a prime minister and four deputy prime ministers, and suggested the deputy premiers be in charge of administration, economy, social affairs, and diplomacy and defense.

Kim urged that the National Security Law be replaced by laws aimed at maintaining social order. The NSP should, in principle, be banned from interfering in investigations, he said, calling also for police neutrality.

Kim proposed doubling university admission quotas to 400,000 places and said the government should implement certificate and qualification tests so employers rely more on these rather than a college education.

President No Tae-u must keep his promise to hold local elections and legally resolve irregularities of the previous administration (Chon's Fifth Republic), but the most important responsibility of all is to eradicate localism and regional antagonism, Kim said.

Police Stop Dissident Leader From Attending Meet

SK2301095291 Seoul YONHAP in English 0747 GMT 23 Jan 91

[Text] Seoul, Jan. 23 (YONHAP)—Police on Wednesday stopped the Rev. Mun Ik-hwan from attending a meeting of dissidents called for forming a preparatory committee for the South Korean Headquarters of the Pan-National Alliance for the Reunification of Korea, more conveniently known as Pomminnyon.

Police told the 72-year-old dissident leader his attendance would violate the anti-communist National Security Law.

Mun was elected chairman of the preparatory committee at a meeting in a Seoul church later in the afternoon.

Four Policemen Sentenced for Torturing Dissident

SK3001141991 Seoul YONHAP in English 0915 GMT 30 Jan 91

[Text] Seoul, Jan. 30 (YONHAP)—The four policemen charged with torturing Kim Kun-tae, a former chairman of a dissident group and winner of the Robert Kennedy Human Rights Award, received sentences ranging from two to five years in prison Wednesday.

"Torture is an act obviously denying the Constitution, which aims at revering and protecting the dignity and values of human beings, and the accused should take the legal responsibility as they were proved guilty," the judge said.

When the decision was announced, some spectators in the courtroom, mostly plainclothesmen, expressed dissatisfaction.

The four—assigned to the Counter-Espionage Investigation Bureau of the National Police headquarters—were Kim Su-hyon (five years), Paek Nam-un (three and half years), Kim Yong-tu (two and half years) and Choe Sang-nam (two years).

Further ROK-U.S. Ties Necessary, More Costly

SK2801063891 Seoul HANGUK ILBO in Korean 25 Jan 91 p 2

[Editorial: "Strengthening ROK-U.S. Ties—What Matters Is the Increase in Our Burden"]

[Text] The government has decided to make "strengthening ROK-U.S. ties" a top priority in our foreign policy this year. In this connection, Foreign Minister Yi Sang-ok reported his ministry's plan of action for this year to President No Tae-u at Chongwadae on 24 January, and set forth specific measures, namely maintaining close cooperative relations through such means as summit talks; changing the ROK-U.S. security cooperative relations so that the ROK takes the leading role; and establishing an advance warning system for trade frictions and for finding a swift and amicable solution to them. He said the ROK will sincerely carry out what has already been agreed on between the ROK and the United States and will promote trust between the two countries.

The Foreign Ministry's emphasis on ROK-U.S. relations sounded somewhat unusual in view of the traditional special relationship between the two countries. Perhaps the Foreign Ministry did so to remove the possible impression of neglect in ROK-U.S. relations in our rapid approach to the Soviet Union, which led to the establishment of diplomatic relations between the ROK and the Soviet Union and an ROK loan of $3 billion to the Soviet Union. The development of ROK-USSR relations to the present level of friendly relations in the two years since the 1988 Olympic Games was made possible because of the national interests of the ROK and the Soviet Union as well as changes in the Soviet system. On the part of the Soviet Union, this can be viewed as the greatest success of the perestroyka-oriented foreign policy.

The United States remained neutral, although it could have had some mixed feelings seeing the ROK approach to the Soviet Union which was expedited by the No Tae-u-Gorbachev summit talks in San Francisco. In contrast with the rapid progress of the ROK-USSR relations, the ROK-U.S. relations suffered some ups and downs, particularly in trade issues. Assuming a rather tough attitude in dealing with ROK trade issues, the United States must have had its national interest in mind. On the other hand, however, the United States, which provides the ROK with a security shield and is its largest export market, may have some feelings of dismay. In view of these "feelings of discomfort" between the ROK and the United States, the Foreign Ministry's setting an objective for the strengthening of ROK-U.S. relations is quite appropriate. The stereotypical measures set forth in the Foreign Ministry's report, however, are much too familiar. ROK-U.S. relations are in a transitional period, gradually changing from security-oriented to economy-oriented and from vertical to horizontal as a result of the ROK's political and economic development, the relative weakening of the U.S. national strength, and the retreat of the cold-war system in international politics. Both the ROK and the United States are changing, and so are their bilateral and multilateral relations.

ROK-U.S. relations require mutual adaptation to the changing situation. As seen in the transition of Japanese and German relations with the United States, the ROK is coming to share an increased burden, which is a problem.

U.S. Ambassador to the ROK Donald Gregg has said that the ROK is an economically developed country heading for the status of an advanced country, adding that everything that exists in ROK-U.S. relations should not be taken for granted. By this he means that the ROK, which demands equal treatment commensurate with its maturity, should pay for this maturity. For smooth relations with the United States, the ROK ought to wisely cope with the U.S. demand that they assume an increased share of the burden and make sacrifices in the opening of markets and the bearing of costs, etc., in trade and security matters.

It is an inevitable trend that the ROK open its market and assume a leading role in security. We may have to continue debating with the United States over the timing and scope of these issues. The ROK should cope with them based on logic and prevailing reality. The ROK should take care that it does not lose trust. Pleading without any convincing alternative, which has often been the tactic of the ROK in the past, is unworkable.

We ought to alter our concept that the United States is a generous superpower. The United States can no longer afford to be generous economically.

Poster Urges Workers To Topple Soviet Regime

SK3001023091 Seoul THE KOREA HERALD in English 30 Jan 91 p 3

[Text] In a rare move, an anti-Soviet Union poster appeared at a major Seoul university yesterday denouncing its "antisocialism and state capitalism."

The poster put up on a bulletin board in front of the Seoul National University's Student Hall denounced the Soviet Union and other East-bloc countries.

It said the Soviet Union gave up its policy of socialism and that the Soviet regime must be toppled by the international cooperation of workers.

It also said the policy of the Soviet Union is "false socialism and the enemy of the workers" which should be crushed along with U.S. imperialism.

"The Soviet Union and other East-bloc countries are fostering the unity of the international capitalists under the pretext of seeking detente and ending the Cold War," the poster also said.

The poster was signed by the "group of students seeking to consolidate international unity of the working classes."

It is probably the first time that the student activists defined Soviet policy as "state capitalism" and directly criticized it, students say.

YONHAP on Statistics for Seoul-Moscow Flights

SK3101021591 Seoul YONHAP in English 0123 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—Korean Air (KAL) and Aeroflot of the Soviet Union have carried 12,009 passengers on the Seoul-Moscow route since flights began 10 months ago, the Transportation Ministry said Thursday.

The weekly flights carried 6,972 people to Moscow from Seoul and 5,037 people to Seoul from Moscow. The two nations normalized diplomatic ties Sept. 30.

The reason more people went from Seoul to Moscow than in the opposite direction is that many of the Koreans journeyed on to European cities and took return flights from there, a ministry spokesman said.

Aeroflot carried 6,125 passengers to KAL's 5,884 due to its convenient transfer system to domestic and East European flights and a Soviet preference for the national carrier.

The first month, March, saw a meager 112 passengers, but the figure rose during summer vacations to 1,875 in August and 1,622 in July.

Seat occupancy topped 70 percent for KAL on the route, making its Seoul-Moscow-Amsterdam-Zurich flights more lucrative than expected, and the same is reportedly true for Aeroflot on its Moscow-Shanghai-Seoul flights.

Radio Operators To Contact Communist Countries

SK3101083291 Seoul YONHAP in English 0735 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—North Korea will be the lone nation in the world with which South Korean radio hams are not allowed to talk after a ban on six communist countries is lifted Friday, the Communications Ministry said Thursday.

They are China, Laos, Albania, Cambodia, Cuba and Vietnam.

Any Korean ham, regardless of qualification and experience, may now communicate with a ham in any country but North Korea without government approval beforehand.

Amateur wireless operators with second-degree licenses and seven years experience were allowed to communicate with hams in communist nations in 1984, and regulations were relaxed in 1989 to include third-degree hams operating for one year, but only with prior approval from the government.

Of 3,985 radio hams in Korea, only 469 have been allowed to communicate with their counterparts in communist countries.

North Official Attempts To 'Hasten' Japan Ties

SK3101082090 Seoul CHUNGANG ILBO in Korean 29 Jan 91 p 2

[Report by correspondent Pang In-chol from Tokyo]

[Text] It has been learned that with the first round of North Korean-Japanese full-dress talks for the normalization of state relations at hand and slated for 30-31 January in Pyongyang, in the middle of this month party Secretary Kim Chong-il called his seven closest aides and directed them to "conclude the matter of normalizing state relations sometime in November" by assuming a flexible attitude toward the pending issues.

According to a Japanese source well informed on North Korean affairs, on 29 January Kim Chong-il noted no need to be confined to the question of "one Korea" and "compensation for the 45-year postwar period," and suggested his intention of accepting the inspection of nuclear facilities by the International Atomic Energy Association—a question which is likely to be the biggest obstacle at the talks.

In connection with this, Yi Kwang, chairman of the Union of Democracy and Reunification of Koreans in Japan, met with the press on 28 January and revealed that Kim Chong-il's direction to hasten the establishment of state relations with Japan is aimed at the assets of Koreans in Japan, which amount to approximately 20 trillion yen, together with compensation from Japan.

Ministry Plans Korean Education Center

SK3001084691 Seoul YONHAP in English 0623 GMT 30 Jan 91

[Excerpts] Seoul, Jan. 30 (YONHAP)—Centers may be set up in the Soviet Union so that children with Korean ancestry can learn the language and customs of their forefathers, the South Korean Education Ministry said Wednesday. [passage omitted]

Education of ethnic Korean children until now was concentrated in Japan and the United States, but the Ministry will turn its attention to the Soviet Union and East-bloc nations, which have established diplomatic relations with Korea, it said.

Education centers will be set up in cities with large Korean populations, with likely candidates including Tashkent, Alma-ata and Sakhalin in the Soviet Union, according to Ministry officials.

An estimated 200,000 Koreans, nearly half the 440,000 living in the Soviet Union, are in Tashkent, capital of Kazakhstan, followed by 100,000 in Uzbekistan Republic's Alma-ata and another 60,000 in Sakhalin, the officials said.

The education centers will have to wait until South Korean consulates are established in those cities, they said. [passage omitted]

YONHAP on Opening of Trade Office in Beijing

SK3001143391 Seoul YONHAP in English 0936 GMT 30 Jan 91

["News analysis" by Kim Hung-suk: "Korea Opens Trade Office in Beijing, Foresees Rough Sailing]

[Text] Seoul, Jan. 30 (YONHAP)—South Korea hung out its shingle on a skyscraper in the center of Beijing on Wednesday, but operating the new trade office may be even more difficult than preparing for its opening.

Buoyed by the success of his northern policy of improving relations with reform-minded Communist countries and obviously intent on completing the drive while he is still in power, President No Tae-u has been vehemently pushing ahead with efforts to set up diplomatic ties with China and Korean officials believe the trade office will lead to fulfillment of that task.

The appointment of No Chae-won, a career diplomat, a former vice foreign minister and a former ambassador to Canada, to head the office betrays Seoul's fervor.

Both the Korean and foreign news media describe the Korea Trade Promotion Corp. (Kotra) trade representative office in Beijing as a de facto embassy, but the Chinese unfailingly emphasize that the office is a "private" channel for dialogue between the two countries.

Kotra officials say the office could begin normal operation after Kotra President Yi Son-ki visits Beijing in April.

China, one of North Korea's strongest allies, fought side by side with North Korea against the capitalist South during the Korean War. It has maintained a low-key attitude toward attempts by Seoul to dramatically change the tripartite picture.

Unlike the Soviet Union, which set up diplomatic relations with South Korea on Sept. 30 last year, to the surprise of world diplomats, China is still run by first generation revolutionaries who are closely linked with the North Korean leadership and has never tried to hide its sympathy for North Korea even during spells of ardor for economic reforms.

Chinese officials call for improved inter-Korean relations as the basis for better Sino-South Korean ties whenever they are given a chance to speak on the subject.

Even after the historical encounter between South Korean President No Tae-u and Soviet President Mikhail Gorbachev in San Francisco on June 4, which led to the signing of diplomatic ties nearly four months later, the Chinese attitude toward South Korea showed little sign of wavering.

After the San Francisco meeting, No predicted a summit with China and improved ties would follow, reasoning Beijing could not resist the changes—the collapse of the cold war—sweeping the world.

China was silent, however, and made no reply to a South Korean proposal in February for a meeting of their foreign ministers to seek an improvement of bilateral relations.

Progress has been visible only in the economic sector. Two-way trade grew from 2.98 billion U.S. dollars in 1988 to 3.14 billion dollars in 1989 and an estimated 3.6 billion dollars in 1990.

The countries had virtually their first diplomatic contact at the Asian games in Beijing in September last year, with China granting privileges equivalent to those accorded diplomats to South Korea's "Asiad attaches."

Another reason for China's reluctance to answer South Korea's zeal for warmer relations, in addition to its commitment to North Korea, is that recognition of the South Korean Government would run counter to its policy of not recognizing two governments in one nation, diplomatic experts here say.

China has refused to recognize the government in Taiwan and argues that it should be unified with the mainland as "two systems in one nation."

These factors are believed to have forced China to ban the Korean national flag and the name of the nation from the Kotra trade representative office in Beijing, with Korea reciprocating for the Chinese trade representative in Seoul, to be opened in March.

The Chinese Chamber of International Commerce (CCOIC) and Kotra agreed Oct. 20 last year to open trade representative offices in each other's capital.

The biggest stumbling block in bilateral negotiations since the agreement was how many of the 20-member staff would be given diplomatic immunity. At the end of the negotiations, the two sides agreed to give such privileges to half of the staff each.

Undaunted by the low-key attitude of the Chinese Government toward diplomatic ties with South Korea, Seoul has packed the staff of the Kotra trade office with ministry officials and only five are from Kotra.

To talk to the Chinese Government, however, Korean officials will have to contact CCOIC because their counterparts are CCOIC officials.

Under these circumstances, diplomatic experts predict two to three years will pass before the two governments sign formal ties, unless the international climate brings a significant change in the Chinese attitude.

Being well aware of the difficulties lying ahead, No, the seasoned diplomat, said Wednesday that he would start out his duty without "any prejudice but with confidence."

Confidence is a sine qua non in diplomacy as it is in all relations, but it is not all that counts, especially when it involves friendship with a former enemy.

Chemical Bank To Shut Seoul Branch in March

SK3101072890 Seoul YONHAP in English 0516 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—Chemical Bank of the United States announced Thursday that management difficulties has compelled it to close its 12-year-old Seoul branch by the end of March and replace it with a liaison office.

A spokesman said the bank will either sell its business rights to other foreign banks or gradually scale down operations.

This brings the number of foreign bank dropouts in January to three, following Westpac Banking Corp. of Australia and Lloyds Bank Plc [Public limited company] of Britain.

Chemical's Seoul branch opened in September 1978 and currently has 29 employees. Chemical closed branches in Hong Kong and Taipei last year and is reportedly expected to soon shut all of its overseas branches except those in Singapore, Tokyo and London.

Government Likely To Draft Supplementary Budget

SK3101022090 Seoul YONHAP in English 0149 GMT 31 Jan 91

[Text] Seoul, Jan. 31 (YONHAP)—The government is likely to draft a supplementary budget of 3 trillion won (4.2 billion U.S. dollars) in May to meet additional demands for expansion of infrastructure and contributions to the Gulf war.

An extra budget bill for fiscal 1991 is inevitable to approve an additional trillion-won investment in infrastructure and 280 million dollars for the Gulf war, Deputy Prime Minister Yi Sung-yun said Wednesday.

Yi, who is also economic planning minister, told reporters the government position would be finalized in May, when the 1990 fiscal surplus is fixed and confirmed that the government is not considering sending combat troops to the Gulf.

The government announced the same day it would contribute an additional 280 million dollars, bringing Korea's total aid to 500 million dollars, and send five military transports and 150 non-combat personnel to support the coalition. Korea has already dispatched a 154-member military medical team to Saudi Arabia.

Yi said bus and ferry fares would go up an average 20 percent in mid-February.

Bus companies have demanded that the government allow them to increase fares from 140 won to 200 won, or 43 percent, and hike intercity fares 30 percent.

Yi said bus fares could not be held down any longer because the government had promised an increase in the first half of the year.

Fares will go up around lunar new year day, Feb. 15 this year, in consideration of overall price rises, but the Economic Planning Board was considering a hike in bus fares in March at rates to be announced next month, he said.

The top economic planner said the sharp price rises early this year were led by agricultural products and that the government would draft plans for measures to drastically improve the distribution system for agricultural products.

Asked about monetary management, the deputy premier said a tight money supply was undesirable because of the slowing economy but the government would minimize spending in an effort to curb inflation.

New Wage Control Law, Other Changes Viewed

* Government Announces Measures

912C0067A Seoul HANGUK KYONGJE SINMUN in Korean 10 Dec 90 p 2

[Editorial: "Justifications and Realities of Labor-Management Stabilization Measures in the New Year"]

[Text] (1)The government has announced labor-management stabilization measures with emphasis on its plan to limit all wage increases to a single-digit rate. It plans to restrict the wage increase rate of government corporations within a five to seven percent limit and plans to induce private industries to limit their wage increases to a single-digit rate which is close to the government rate. In addition, the government announced a few compensation bills, such as the promotion of a performance award system, which is currently being implemented by some industries, and active expansion of workers' housing programs. In other words, the government has now presented a wage increase guideline.

So far, the government has adhered to its principle that the wage problem should be resolved by the concerned parties themselves on both labor and management sides. The government intervened only in the extreme cases of strikes. Then, beginning this year, it encouraged a single-digit wage increase "where possible," and it has now decided to take a more positive step beginning in the New Year so as to "make it work."

According to the government, such measures are inevitable because the present pace of our economy is incapable of absorbing a two-digit rate of wage increase. Under the present circumstances, the economic condition in the New Year could get worse. Prices are expected to rise above this year's level, and a forecast shows that our trade balance will get worse. The only hope is in growth. However, even the growth rate is predicted to be about seven percent, which is much lower than that of this year. Even worse, Nomura Economic Institute in Japan has predicted a five-percent growth rate, and therefore, we are not confident that we will be able to achieve a seven-percent growth rate.

Under such circumstances, should we suffer another wave of labor-management disputes, the growth alone could no longer be sufficient, and we could be deeply drawn into stagflation, which is marked by a stagnant economy accompanied by an exorbitant rise in prices.

Over the past three years of labor-management disputes, we have lost and learned quite a bit. Because many workers lost enthusiasm, we have lost the confidence of the international community, exports have declined, and industries have lost their desire for investment. Instead, we are now in the process of becoming a more rational people who can conduct a reasonable labor-management negotiation. We are experiencing the fact that we can no longer afford a labor-management confrontation and that such a confrontation does nothing good for the workers, the industries, and the nation.

Rather than making complaints in spring when the New Year's wage negotiation is actively in progress, we think it would be a good idea to discuss in advance the reasonableness of the wage increase rates and narrow down the issues. Aside from the question of the reasonableness of the wage increase rate, we think the government has presented the wage guideline right on time.

(2) However, we would like to point out that the government's attempt to stabilize the labor-management relations by solving the wage problem is on the wrong track. In a recent survey of workers, which was conducted by the Labor Research Institute, the question was asked: "What is most important in improving the workers' standard of living?" To this question, 41 percent (the largest number) of the workers chose stabilization of real estate prices, whereas only seven percent chose wage increase. The wage increase issue trailed after the concerns for improvement of the work environment, stabilization of prices for the necessities of life, and expansion of the social security system.

Workers' demands are changing from wage increase to improvement of other conditions, such as price stabilization. It is said that if the rising prices of real estate force the workers to lose their dream to own a house, they would feel that much more poverty. This leads us to think that if prices are not controlled, the solution to the wage problem would not be of much help in stabilizing the labor-management relations.

It is expected that demands for the voluntary control of a single-digit wage increase will face a good deal of resistance. This year, land prices jumped 16 percent, house-rent went up 13.3 percent, and commodity prices rose 9.1 percent. Thus, workers will obviously demand some sort of compensation.

Moreover, it would be highly unrealistic to extend the effective period of the negotiated rate to two to three years. In this year's wage negotiation, the difference in the wage increase rates between the union and management was greater than 10 percent. Considering such a big difference in the negotiation of wage increase for just one year, obviously it would be much more difficult for both sides to find a mutually agreeable point if they negotiate a rate that is suitable for two to three years. West Germany is currently using such a system, but the difference in their demands is less than two to three percent.

As a compensation for the low rate of wage increase, the government presented a performance award system and a plan to expand the housing supply for the workers. These measures are rather something that we can look forward to in effecting stabilization of labor-management relations.

First of all, the strengths of the performance award system are: it helps reduce companies' burden of wages; it helps increase workers' enthusiasm; and it helps resolve labor-management disputes quickly.

This system, however, is not expected to spread widely as yet because many workers still do not trust company management. Company managements should share the facts and figures of the business performance with workers and should provide them with opportunities to participate in the management, so that the distrust can be eliminated.

Speaking of the construction of the workers' houses, there are no significant accomplishments yet because selection of the site is difficult and the land is subject to a heavy tax, although enthusiasm runs high among industries. At this junction, the government must do everything it can to step up its support.

The logic behind the government's proposal for wage control is that wage increases cause price increases and low growth, and the high prices cause another round of wage increases, resulting in the vicious circle of wages and prices. Therefore, wage increases should be controlled in order to control price increases. It is true that prices and wages are interrelated. Thus, it is said that the vicious circle must be broken somewhere. It is just a matter of choosing wage control or price control first. The government has chosen wage control. However, if the government enforces a wage control while putting no sincere efforts into price control, such as increasing the government budget, it will fail to break the vicious circle and only the workers will suffer.

The workers' wage increase rates could possibly be controlled within a single-digit range, as the government wishes. However, it would be hasty to expect a peace and revival of workers' enthusiasm in the industries just because there is no struggle for wages. The government must get a handle on price increases so that the workers can willingly accept a single-digit wage increase rate.

* Unions', Management's Demands

912C0067B Seoul CHOSON ILBO in Korean
12 Dec 90 p 2

[Text] The issue of revising the National Labor Relations Act is expected to become a big subject for debate sooner or later because employer organizations, such as the Korea Employers' Federation and the Federation of Korean Industries, as well as labor organizations, such as the Federation of Korea Trade Unions, have asked the government for a full-scale revision of the existing National Labor Relations Act.

On 11 December, the Labor Department of the Economic Planning Board said that the employers are demanding a revision of the existing Labor Union Act, so that the act will include new provisions for restricting labor unions' improper acts, such as forcing the workers to join unions, rejection of collective bargaining without proper reasoning, use of violence, forcing the workers to join strikes, and so on.

In addition, it advocates establishment of provisions to: strengthen the qualification of labor union members to three or more years of continuous service, give bargaining members the right to a compromise settlement and the right to an agreement, and limit the content of collective bargaining, such as the right of personnel management and the right of business management. It is also demanding removal of the provision that sets the maximum limit of the labor union dues, which is currently two percent of one's wages.

In addition, the employers advocate that the Labor Dispute Mediation Act should stipulate the no-wages-for-no-work principle and should include an article for justification of the purpose of strikes. They also advocate that the determinant factor for strikes should be strengthened so as to require approval by two-thirds of the enrollment, rather than the existing majority rule, and that the act must be relaxed to allow the employers to shut down without reporting.

In the area of the Labor Standard Act, the employers advocate the following: extra labor wages for overtime, night shift, and holidays should be lowered to 25 percent from the existing 50 percent of normal wages; the vacation-every-month system should be abolished; and compensation for business suspension should be lowered to 60 percent from 70 percent of normal wages. Besides, they say that the results-based payments should be excluded from computation of retirement benefits and that the modified-work-hour system should be revived.

On the other hand, the labor organizations demand the following: remove the articles of the Labor Union Act that prohibit labor unions' political activities and intervention of a third party; allow the civil service employees to conduct labor union activities; and permit establishment of multiple labor unions.

In the area of the Labor Dispute Mediation Act, they advocate the following: narrow the definition of public utilities work; abolish the arbitration system conducted by virtue of an authority; abolish or shorten the cooling-off period; and abolish the article that restricts places of labor disputes.

In the area of the Labor Standard Act, they demand the following: incorporate a new article that prohibits unreasonable suspension and closing of businesses as well as employers' use of violence; and strengthen the penalty article for improper dismissals.

Regarding such movements by both labor and management, a high-ranking government official said: "There is no immediate solution because these are highly delicate issues. However, I think it is worth examination because many articles of the labor laws were unreasonably revised during the minority-government-and-majority-opposition period, and because some of the workers' demands are reasonable." Thus, the government has indirectly indicated its intention to look into the issue of revising the labor laws.

* Industries' R&D Investments Said To Increase

912C0069 Seoul CHOSUN ILBO in Korean 10 Dec 90 p 17

[Article by Kang Kyo-sang: "Private Sectors' R&D Investments Rise Rapidly"]

[Text] The low-level work force may be reduced but more "high-level brains" will be hired in the nation's industries. The rapid rise in their R&D (research and development) investments rival their investments in new facilities.

Industries are changing from simply manufacturing goods to inventing and creating new merchandise today. Our industries' traditional attitude of importing foreign technology to manufacture goods with the help of a cheap domestic labor force is gradually disappearing. Instead, our industries are transformed into a sector of highly trained people with enormous investments in R&D to produce ultra modern merchandise. Industries are becoming think tanks for the future. Although it is somewhat behind the developed foreign countries, our industries' eagerness to change their fundamental attitudes is spreading rapidly.

The change is especially noticeable in their efforts to attract high-level workers from overseas.

Since the mid-1980's, industrial giants, such as Samsung Electronics, Hyundai Automobile Industry, Goldstar Industries, and Daiwoo Electronics have been sending out scouting teams two to three times yearly to secure high-level workers from overseas. Ordinarily, directors of research institutes or heads of personnel departments would lead the scouting teams. If necessary, however, the chairmen of the corporations would directly participate in recruiting workers from overseas.

In the case of Samsung Electronics, it has hired over 200 people from overseas in the last two years. Half of them have Ph.D. degrees.

Following the well-known saying in the game of Go, "one man in the highest rank is better than 100 men in the fifth rank," our country's industries are concentrating on recruiting superior and experienced people with doctorate degrees. Not all doctorate degrees are regarded as equally desirable, however.

The popularity of degrees in chemical engineering, mechanical engineering, and metallurgy is waning, whereas degrees in computer science, semiconductors, advanced materials, information technology, and high definition (HD) television are in short supply.

A person with a Ph.D. degree from abroad is generally given the status equivalent to the head of a department, as well as a stipend, a subsidy for housing, and a car maintenance fee. Sometimes, special treatments such as a contract for yearly pay, and achievement bonuses are thrown in as well.

In addition, our industries use various other methods to attract specialists in foreign countries. They sometimes establish research facilities outside the country to hire researchers on the spot, such as in the United States, Japan and Europe. It is not uncommon for them to hire students with good potentials before they graduate from universities.

The number of personnel employed in R&D sectors of our industries is growing accordingly.

In the case of Goldstar Industries, the number of employees with Ph.D., M.S., and B.S. degrees in its R&D sector has grown from six percent (2,000 persons) in 1988 to 9.4 percent (3,200 persons) this year. Goldstar Industries intends to increase the number of R&D workers to 15 percent (7,000 persons) of the total personnel by the year 2000.

Daiwoo Electronics has decreased the total work force by over 3,000 people since 1987. The number of workers in R&D, however, has increased by 440 in the same period. The ratio of R&D workers to the total number of employees has increased from 3.8 percent to 7.3 percent since 1987.

Industries' investments in R&D are close to the amounts they spend in building new facilities today, basically a new approach taken by our industries in recent years.

Presently Hyundai Automobile Industry's cost for R&D is about half the amount it spends on building new facilities. It estimates that by 1995, however, the industry will spend more than twice the present amount on R&D, and its cost will be close to 450,000,000,000 won, making it equal to the amount it will spend on new facilities. Hyundai's managing director, Yi Su-il, said: "New investments in plant facilities will decrease by 1995 due to the projected completion of our plant automation. The investment in R&D, however, will have to be increased even more in order to keep up with the changes, and to create new models which are unique and original."

Daiwoo Electronics estimates its investment in R&D will be bigger than that in new facilities next year, inaugurating its "year of R&D."

Not long ago, research and development were primarily connected with government-operated research institutes and universities. The situation has changed considerably today. In both the amount of money invested as well as the results obtained, private industries' R&D sectors have surpassed government-operated institutes and universities in recent years. Private industries' R&D investment reached 1,630,000,000,000 won in 1988, surpassing more than twice 710,000,000,000 won, the combined amount spent by the government and universities during the same year.

According to a reliable source at Samsung Electronics Industry, 360,000,000,000 won, the amount Samsung Electronics spent on R&D this year, is more than the combined amount spent by 11 government-operated research institutes in the same period.

What is the reason behind the industries' concentration on developments of their think tanks? The head of the planning department at Samsung Electronics, Koh In-su, explained: "Due to the rapid rise in wages and the developed countries' refusal to transfer their high technologies, the only way for our industries to survive is to develop our own technologies."

Japan has already proclaimed that her industries have entered the age of "thinking industry" since 1986. According to the findings by the Japanese Trade Commission, the total cost spent on R&D by the entire manufacturing industries of Japan in 1986 was 5,740,000,000,000 yen, surpassing their total investment on new facilities, 4,890,000,000,000 yen for the first time in her history. The gap between her R&D investment and investment in building new facilities has been growing wider ever since. In recent years, almost 60 to 70 new R&D institutes of Japan's private industries have been added every year.

Trained workers are becoming increasingly needed at this point.

Burma

Four More NLD Parliament Members Said Arrested

BK3101085591 London BBC in Burmese to Burma 1345 GMT 31 Jan 91

[Pam O'Toole dispatch from the "Current World Affairs" program]

[Text] It has been learned that four more NLD [National League for Democracy] members of parliament have been arrested and that one of the NLD members of parliament arrested earlier has died in prison. Diplomats view the events as a final offensive by the authorities aimed at weakening and destroying the NLD. Pam O'Toole writes that the authorities have consistently refused to transfer power to the NLD.

According to diplomatic sources, four veteran members of the NLD who are also members of parliament were arrested on 16 January. Those arrested are: U Hla Pe, member of parliament for Tenasserim constituency; U Soe Thein [ex-colonel, holder of Thiha Thura military title], member of parliament for Sagaing constituency and member of the NLD Magwe Division Central Committee; U Tin Aye, member of parliament for Mandalay Southeast township and organizing officer of the NLD Mandalay Division Central Committee; and U Khin Maung Tun, member of parliament [for Hmawbi-2 constituency] of Rangoon Division.

It has been also learned that U Tin Maung Win, NLD member of parliament for Kayan constituency, who was arrested during October last year, died on 18 January in Rangoon's Insein Jail. According to diplomats, there is some doubt about the explanation given to the bereaved family by the military authorities that U Tin Maung Win had died of blood cancer. U Tin Maung Win is the second NLD member to die while under detention in recent times. Another NLD member, U Maung Ko, died while under detention in November last year. Although the authorities claimed he committed suicide, others have said that he died from torture.

The diplomats say that the latest arrests are part of a continuing pattern of arrests. Although there have been no widespread arrests as in October last year when up to 50 members of parliament and party organizers were arrested, Major General Khin Nyunt in his recent news conferences referred to the interrogation of political organizers and those arrested as collaborators with the communists in their opposition to the military government.

Among those arrested in recent weeks is Daw Cho Cho Nyein, daughter of a well-known Burmese politician and the leader of a minor political party, the Anti-Fascist People's Freedom League. The diplomats said she had been accused by the authorities of giving money to a member of a student organization which had been declared an unlawful organization.

Diplomats in Rangoon are describing the NLD as a spent force politically. The organization remains paralyzed with some of its offices closed down while the only four members of the leading committee of the party who are free have to fall in line with the military authorities. Some of the NLD members of parliament fled to the border regions late last year and set up a provisional government with the assistance from insurgent and student organizations. Although not much about this provisional government is known in Rangoon, it has become the object of frequent verbal attacks by the military authorities. There have been reports that since the formation of the provisional government, the military authorities have called in members of parliament from the NLD as well as other parties and have forced them to sign pledges denouncing any ties with this organization.

Culture Minister Hosts Banquet for PRC Official

BK2901151691 Rangoon Domestic Service in Burmese 1330 GMT 29 Jan 91

[Excerpts] Mr. Luo Gan, secretary general of the State Council of the People's Republic of China, and members of his delegation were feted at a banquet held at the No. 2 Defense Services Guesthouse in Yangon [Rangoon] this evening by Lt. Gen. Phone Myint, member of the State Law and Order Restoration Council [SLORC] and minister of culture and information and home and religious affairs. [passage omitted]

At the banquet, Minister Lt. Gen. Phone Myint and the PRC State Council secretary general delivered speeches, exchanging good wishes. [passage omitted]

Tin Tun Inaugurates Satellite Ground Stations

BK2901145191 Rangoon Domestic Service in Burmese 1330 GMT 29 Jan 91

[Excerpts] The inaugural ceremony for the main satellite communications ground station built by the Myanmar Communications Service, Ministry of Transport and Communications, was held at the Togyaunggale satellite ground station, south of new Dagon town, at 0800 today. Lt. Gen. Tin Tun, member of State Law and Order Restoration Council [SLORC] and minister of transport and communications and labor and social welfare, addressed the opening ceremony. [passage omitted]

In his address, Lt. Gen. Tin Tun said that, in the same way as the government had been building hospitals and schools to develop the remote ethnic national regions under the guidance of the SLORC, the Ministry of Transport and Communications has been facilitating smooth and safe transportation and setting up satellite television transmissions and phone links.

The establishment of local satellite communications links has been a milestone in history and is a major achievement. Haka, Kale, Myitkyina, Bhamo, Mu-se, Lashio, Keng Tung, Tachilek, Mergui, Kawthaung, Myawadi, and Hkamti are places where satellite communications can bring economical phone links in a short time. Hence, a project was initiated on 14 May 1990.

The Togyaunggale station in Yangon [Rangoon] is the main ground satellite station. Later, similar satellite phone links will be established with other townships where communications are difficult. Under the present project, satellite ground stations have been opened in Myitkyina and Haka on 4 January 1991. Today, six more satellite ground stations have been opened in Yangon, Mergui, Keng Tung, Tachilek, Mergui, and Kawthaung. Similarly, arrangements have been made to inaugurate such ground stations for Bhamo, Mu-se, Lashio, Myawadi, and Hkamti in February, Lt. Gen. Tin Tun said. [passage omitted]

The Intelsat-1 will be used for satellite communications and equipment and goods needed were purchased from the People's Republic of China. The installation of the equipment was completed on 18 January 1991, he said. [passage omitted]

Following the establishment of satellite communications ground stations in the country, television relay stations have also started functioning since 20 May 1990 so that television transmissions can be received in Yangon and simultaneously in Keng Tung, Lashio, Myitkyina, Bhamo, Kale, and Chin State. Similarly, plans have been made to open television relay stations in Hkamti and Mergui in February. [passage omitted]

Khin Nyunt, Reporters Witness Poppy Destruction

BK3001102591 Rangoon Domestic Service in Burmese 1330 GMT 29 Jan 91

[Excerpt] Major General Khin Nyunt, chairman of the committee for implementing the development work of border regions and national races, together with high-ranking military officials from the Defense Ministry, the director general of police, directors general and managing directors of departments and service organizations, personnel from the U.S. Embassy and UN organizations, journalists from Bangkok, and local and foreign journalists in Yangon [Rangoon] attended a ceremony on 27 January at which poppy plantations were destroyed. At the ceremony, 1,500 acres of poppy plantations within the 19-mile radius of (Chin Shwe Haw) and (Nat Min Shitpa) areas in Kokang region, east of the Salween River, northern Shan State, were destroyed by the ethnic national leaders and the national people of Kokang region.

The 1,500 acres of poppy plants could have produced 6,600 kilograms of raw opium, which could be refined into 660 kilograms of heroin. The U.S. street value of the destroyed poppy plants is about $1.584 billion.

Similarly, on 28 January, Maj. Gen. Khin Nyunt, secretary-1 of the State Law and Order Restoration Council, and his party attended a similar ceremony at which leaders of the ethnic nationalities and the local people burned heroin, brown opium, opium refining paraphernalia, and chemicals at three opium refining plants near Mong Ko and Hsipaw, west of the Salween River.

At the ceremony, $580.945 million worth of opium refining paraphernalia, chemicals, and narcotic drugs—78.65 kilograms of heroin; 16 kilograms of raw opium; 4 kilograms of brown opium; 5.5 liters of thick opium solution; 600 kilograms of 40 percent morphine base; and 0.25 tons of opium residue—were destroyed.

Hence, a total of $2,665,060,000 [figure as heard] worth of narcotic drugs, opium refining plants and paraphernalia, and chemicals were destroyed in (Chin Shwe Haw)-(Nat Min Shitpa) and Mong Ko areas.

Myanmar [Burma] held three ceremonies to mark the destruction of narcotics in Yangon and one similar ceremony in Kokang in 1990. The total value of the narcotics destroyed in these efforts was over $1.82 billion.

Hence, a total of $4,485,065,000 worth of narcotic drugs, opium refining plants and paraphernalia, and chemicals were destroyed by Myanmar in 1990 and 1991. [passage omitted]

Trade Minister Discusses Rice Production, Pricing

BK2001154191 Rangoon Domestic Service in Burmese 1330 GMT 20 Jan 91

[Excerpts] Brig. Gen. Abel, minister of planning and finance and trade, accompanied by U Toe Kyi, managing director of the Myanmar Agricultural Produce Trading, left Yangon [Rangoon] on the morning of 17 January to inspect rice procurement, milling, and storage situation in Yangon, Pegu, and Irrawaddy Divisions and returned to Yangon this evening. [passage omitted]

During his inspection tour of paddy depots, Brig. Gen. Abel met peasants and officials of the township zone, township, and village law and order restoration councils and closely discussed the paddy situation.

In his speech to the peasants and the law and order restoration councils, the minister said he wanted to explain the paddy situation in 1990. Every year, the Trade Ministry buys paddy only up to the end of April. But in 1990, the procurement of old rice crops went on until the end of October, and a total of more than 1.1 million [figure as heard] baskets [one basket equals about one bushel] were bought by the ministry.

When responsible officials were told to go on an inspection tour in early January 1991, it was learned that each township had between 500,000 baskets and 1 million baskets of paddy in storage. This very fact showed that a large quantity of surplus paddy remains in the hands of the peasants and the traders.

There were strong rains, particularly during the paddy cultivation season for 1991. The officials were concerned and therefore made a close study of the situation. But on a national scale, paddy production for 1990-91 is better than the previous year. In addition, because a large quantity of old paddy crops remain, there were few buyers even at the price of 3,000 kyat per 100 baskets. We understand that this was a cause of concern for the peasants. Hence, a paddy price was quoted by the state with the interests of the peasants in mind. Calculations were made on the basis of close and detailed consultations between the Ministry of Agriculture and Forests, the Ministry of Trade, and the Ministry of Planning and Finance. All expenses were taken into account, including the earnings of working family members, and a profit of 700 kyat per acre was added on top of the expenses figure. That sum was earmarked as the guaranteed price for the peasants. It was at this price that the trade organization concluded contracts to purchase paddy from the peasants. We also had to take into account the appropriate price at which rice had to be distributed to the consumers. Hence, the price offered now is the maximum that can be offered and the price will not be increased.

We bought the Ngasein strain of rice at 900 kyat per 100 baskets in 1988. The price now being offered, which includes transportation charges, is 4,800 kyat. It should be noted that the price today is more than five-fold that of 1988. Although the government has been keeping the interests of the peasants at the forefront and giving a price that could be offered, paddy prices have been unstable because of price manipulation by the traders. What the peasants and the traders should understand is that the government today will never permit a situation similar to the one in 1989 when the paddy prices were too high. We have already laid down three principles on trade that should be observed. Effective legal action will be taken against unlawful milling, sale, and transportation of paddy. Adequate laws and orders have been issued regarding the question of milling, sale, and transportation of paddy. Regional officials are to take action according to these laws and orders.

Myanmar [Burma] dominated the world rice market prior to the Second World War. Thailand controls the global rice market today. But, since we have been trying to make the Myanmar rice popular in the world, there are many buyers who have been offering good prices for the commodity.

If the peasants and the traders sell their surplus rice to the state on a timely basis, the commodity can be exported abroad at a good price. We can then import food, medicines, production goods, fertilizers, and the other goods needed by the Myanmar people in a timely fashion. If we can do that, commodity prices can be stabilized and the state will benefit greatly from it. But, because the traders had hoarded rice, we lost the opportunity last year.

Myanmar has abundant natural resources, a lot of cultivable land and is technically capable. Hence, if all the people work together in unity, we will be able to achieve marked economic development within five years. We cannot rely on the others to develop our country. We should rely on our own strength and develop the economy with a spirit of nationalism. The Trade Department, cooperatives, and the No. 2 Joint Venture Corporation have been assigned respective tasks regarding the paddy procurement. The duties assigned should be carried out strenuously, with honesty, and a spirit of nationalism. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Envoy to U.S. Speaks on Gulf, SRV Refugees

BK3101063691 Kuala Lumpur BERNAMA in English 0424 GMT 31 Jan 91

[Text] Washington, Jan 31 (OANA-BERNAMA)—Malaysia is increasingly concerned over the developments in the Gulf and believes that a protracted conflict could result in immense loss of lives, outgoing Malaysian Ambassador to the United States Albert S. Talalla said.

"We are also concerned that a rapid escalation of the war could adversely affect the United Nations' role for conflict management and resolution," he said, adding that Malaysia would like to see a reassertion of the UN central role in the crisis.

"The UN has not been involved since then (when Security Council Resolution No. 678, which allows for use of force, was invoked). It is time for the U.S. and the allied forces to go back to the Security Council to report on the latest developments," he told BERNAMA in an interview here Wednesday [30 January].

"We'd be deeply concerned if the UN role is marginalised," he added. On the Vietnamese boat people, Talalla regretted that it had caused "some friction" in U.S.-Malaysia relations.

"I think that the handling of the boat people issue illustrates a certain insensitivity on the part of the U.S. We resent the pressure that was brought to bear on us and the virtual disregard of our previous record of providing first asylum to more than a quarter million Vietnamese refugees.

"The issue should not be complicated by requiring Malaysia to virtually accord first asylum to non-refugees," he said.

Although Malaysia sympathised with the Vietnamese people's desire to find a better life elsewhere, boat people who were not political refugees were no different from the 700,000 illegal immigrants from Indonesia and the Philippines in Malaysia and had to be dealt with in the same way, he added.

Talalla described Malaysia-U.S. relations as "very good, and with bright prospects for the future, but as in any other relationship, there are glitches."

"Superficial knowledge about Malaysia in the administration, the media, and especially in Congress have resulted in misconceptions which in the 90's have serious consequences."

To intensify understanding between Malaysia and the U.S., Talalla suggested that exchange visits be promoted at all levels, and informal consultative contacts be conducted on a regular basis between officials, leaders, and elected representatives.

Abu Hassan Omar Concerned Over Workers in Riyadh

BK3101061891 Kuala Lumpur BERNAMA in English 0326 GMT 31 Jan 91

[Text] Kuala Lumpur, Jan 31 (OANA-BERNAMA)—Saudi employers may be asked to allow Malaysian employees to leave Riyadh temporarily without losing benefits stipulated in their contracts.

Foreign Minister Abu Hassan Omar indicated this possibility today when he expressed concern over the safety of Malaysians still in the Saudi capital.

"Most of them are tied with their work contract and find difficulty getting leave. Our officials in Saudi are trying to see how they can help. Maybe they can talk to the employers," he said.

The safety of Malaysians in Riyadh was discussed at Wednesday's [30 January] Cabinet meeting.

"We were worried because Riyadh has been the target of Iraqi (Scud missiles) attacks since the start of the Gulf war.

"The Cabinet has directed Wisma Putra [Foreign Ministry] to look into the possibility of shifting those who cannot or do not want to leave to safer locations away from the city," he said.

He did not say how many Malaysians were still in Riyadh, but the number is believed to be around 100.

Former Japanese Minister: War Not To Last Long

BK3001103291 Kuala Lumpur BERNAMA in English 0840 GMT 30 Jan 91

[Text] Kuala Lumpur, Jan 30 (OANA-BERNAMA)—The Gulf war will not continue for long, according to former Japanese Foreign Minister Dr. Saburo Okita.

"Somehow there will be a solution because many countries and many people do not want the war to last long," he told reporters after giving a lecture on "Japan's Strategies and Future Commitment to the Changing World" at the Institute of Strategic and International Studies (ISIS) here.

Dr. Okita visited Jordan at the invitation of Crown Prince Hassan just before the war broke out and discussed the Gulf crisis with King Husayn. He had also visited the Soviet Union, Canada, and France where he met diplomats and former colleagues. In Paris he exchanged views on the Gulf situation with the Kuwaiti foreign minister.

Dr. Okita said he (?believed) the first step that should be taken to end the war was for Iraq to withdraw from Kuwait as then other measures could follow like staging international conferences and negotiations on Japan's U.S. $9 billion contribution to the American-led multinational forces for the Gulf war. Dr. Okita said he believed the Japanese Government would have to fulfill the commitment despite criticism from the people and political debate in the Diet.

Saying that the Japanese Government would somehow get through the debate, he added that Iraq's outright occupation of its neighbour by military force was unacceptable to the Japanese people.

Dr. Okita said the U.S. $9 billion accounted for 0.3 per cent of Japan's Gross National Product (GNP) and almost equal to its Overseas Development Assistance (ODA).

Dr. Okita has written a dozen books on Japan's economy, Asian economic development, and international relations.

DOE Team Ready To Help Combat Gulf Oil Slick

BK3001103691 Kuala Lumpur BERNAMA in English 0843 GMT 30 Jan 91

[Text] Kuala Lumpur, Jan 30 (OANA-BERNAMA)—The Department of Environment (DOE) is willing to send its team to help fight the war-triggered oil slick in the Gulf if there is a request for it.

DOE Director General Dr. Abu Bakar Jaafar said Wednesday he would strongly recommend to the government that Malaysia send a team in view of the experience the team stood to gain.

"Although we have limited resources and personnel, the experience would be very valuable for the oil slick combat team in the department," he said.

Dr. Abu Bakar was commenting on an appeal from the Government of Iran for international organisations to help fight the huge oil slick that has threatened the Gulf.

The spillage, which started around Jan 19, has sent an oil slick 56.35 km by 16.1 km down the eastern coast of Kuwait and Saudi Arabia.

The United States claimed the Iraqis had released the thick black crude oil deliberately in an act of "environmental terrorism" but Iraq charged that the slick was the result of allied bombing.

Dr. Abu Bakar said so far the department's oil spill contingency plan team had had some experience in fighting oil slicks in the Straits of Melaka.

Commentary Questions 'Ultimate Motive' of U.S.

BK3001095191 Kuala Lumpur International Service in English 0800 GMT 30 Jan 91

[Station commentary]

[Text] It is now two weeks since the outbreak of the Gulf war in which the allied multinational forces turned their military action as the beginning of the liberation of Kuwait. But now there seems [words indistinct]. Many quarters are questioning the U.S. military forces, which so far only (?seem) to have a major destruction of Iraq their ultimate motive. [passage indistinct]

Malaysia's wish is to save the people of Kuwait so that they could regain their freedom and independence as a nation. To date, from news reports, it is questionable whether the thousands of bombs dropped are aimed at military or civilian targets. It must be stressed at this stage that efforts must not stop to bring about a ceasefire. To this end, Malaysia has called for the immediate convening of the UN Security Council to discuss the Gulf war. Support for it has come from the regional council [as heard], a non-governmental organization for the promotion of human rights. The council has appealed to the UN secretary general to bring Malaysia's call before the world body as soon as possible. When passing Resolution 678, the UN Security Council has not taken into account of the intense suffering and loss of innocent lives. It also failed to see the unrestrained manner in which the resolution could have been implemented. Now, it is clearly evident that Resolution 678 is being abused for the self-interests of superpowers.

The UN should take full responsibility in ensuring that thousands of innocent people are not subjected to untold suffering and death. The UN must show concern just like the millions of people who have taken to the streets worldwide calling for an end to the war. One cannot authorize force and then ignore discussions for a ceasefire and peace. Malaysia wants a review of the implementation of the UN resolution. But, [words indistinct] the UN are not positive. A majority of the Security Council members seem to be opposed to any formal meeting on the war. Why should this [word indistinct]? After all, the prevention of war should be [words indistinct] objective. The bloodbath needs to be stopped immediately. The bombings of Baghdad must also cease. The U.S.-led forces are acting in such a manner as if Resolution 678 were a blank check for any types of military action. Several things need to be completed. So far, the military bombardment of Iraq has manifested America's military interests. It looks as if the U.S. [word indistinct] on strengthening its position in West Asia. In so doing, it would further ensure the safety of Israel. Also, it is a golden opportunity to test its new weapons.

Given such a scenario, the UN has to urgently reassert its role in the Gulf. Many countries have expressed concern over the conduct of the war. With the massive bombings, there will be immense destruction, suffering, and loss of lives both in Iraq and the areas involved. At the same time, the war appears to have eclipsed the Palestinian issue. As such, efforts need to be geared toward a peaceful solution to the war. Failing this, there will not be any winners but only losers.

Former Sabah Chief Minister, Others Join UMNO

BK3001151591 Kuala Lumpur Domestic Service in Malay 1430 GMT 30 Jan 91

[Text] Former Sabah Chief Minister Tun Datu Mustapha Datu Harun has announced that he and four other USNO [United Sabah National Organization] members have officially joined UMNO [United Malays National Organization]. They are Tan Sri Sakaran Dandai, land and cooperatives development minister; Mr. Osu Haji Sukam, deputy housing and local government minister; Mr. Railey Haji Jeffrey, deputy information minister; and Mr. Juhar Mahirudin, deputy house speaker.

Speaking at a news conference at the Parliament building, Tun Datu Mustapha said that about 80 percent of the 300,000 USNO members had agreed to join UMNO. He said that with UMNO's entry into Sabah, the state would be able to develop itself and maintain unity to further consolidate national stability. USNO members wishing to join UMNO need only to fill out forms and sign letters of resignation as USNO members.

Meanwhile, the prime minister said that by-elections would be held for state assembly constituencies in Sabah as required by the state constitution if its representatives joined UMNO.

MSF, Thai Force Begin Booby Trap Destruction

BK2901153891 Kuala Lumpur Domestic Service in Malay 1430 GMT 29 Jan 91

[Text] Malaysian Security Forces [MSF] personnel, with the cooperation of their Thai counterparts, have begun destroying booby traps laid by former Communist Party of Malaya, CPM, members in Malaysian territory. Armed Forces Chief General Tan Sri Hashim Mohamed Ali said the operation, code-named Operation Clean-Up, involves more than 120 personnel who are divided into six groups.

Speaking to newsmen in Kuala Lumpur, Gen. Tan Sri Hashim said every group consists of military and police personnel, two Thai military personnel, and at least two former CPM members who act as guides.

However, Gen. Tan Sri Hashim did not disclose the number of booby traps laid in the jungles of peninsular Malaysia or the number which had been detonated. He said security regulations are currently effective in black areas in this country, particularly in areas where the communist terrorists were formerly active.

Meanwhile, Deputy Home Affairs Minister Datuk Megat Junid Megat Ayob said some 1,121 members of the defunct Communist Party of Malaya had left the jungles and are currently located at Peace Village in southern Thailand.

Singapore

Security Stepped Up at All Entry, Exit Points

BK3001150491 Hong Kong AFP in English 1427 GMT 30 Jan 91

[Text] Singapore, Jan 30 (AFP)—Singapore Wednesday stepped up security measures at all entry and exit points following reports of possible terrorist attacks in the region, sources said.

According to the source the United States had notified all countries in the region that terrorist attacks were likely to take place as the Gulf war escalated.

Bangkok was identified as the most likely target of such attacks, the source said.

Meanwhile the Singapore Broadcasting Corporation (SBC) reported that security measures at Changi International Airport and the Woodlands check point, where a mile long (1.6 kilometre) causeway links Singapore with Malaysia, have been stepped up.

SBC said divisional police stations have also intensified their security patrols although there was nothing so far to indicate there will be a terrorist attack, adding the increased measures would be maintained as long as necessary.

Soon after the outbreak of the Gulf war on January 17, Singapore stepped up security measures at all oil refineries on offshore islands.

Singapore is the third largest oil refining centre after Rotterdam and Houston.

Paper Says 4 More Infected With AIDS Virus

BK2501121291 Singapore THE STRAITS TIMES in English 25 Jan 91 p 26

[Text] Four more Singaporean men were found infected with the Aids virus in November and December last year, said a Health Ministry statement yesterday.

The men, who are from 19 to 38 years old, are believed to have been infected through sexual contacts, both here and abroad.

Two other Singaporean men died of Aids-related illnesses during this period. They were previously found to be infected by the human immuno-deficiency (HIV) virus which causes Aids.

So far, 61 Singaporeans have been found to be infected with the virus. This includes 23 Aids cases, of whom 15 have died, one case with Aids-related complex and 37 asymptomatic carriers.

Last year, there were 17 newly-diagnosed infected Singaporeans, the highest number in a year since 1985.

In the past two months, a prostitute from a neighbouring country, arrested while working here, was found to be infected with HIV. She was counselled and sent home.

So far, seven foreign prostitutes have been found HIV-positive.

The Health Ministry was also notified of 70 cases of infectious syphilis and 566 cases of gonorrhoea in November and December compared to 42 and 665 respectively for the same period in 1989.

The ministry strongly advises the public to refrain from unprotected sex with prostitutes or with casual contacts, both locally and abroad.

Cambodia

National Assembly Continues To Debate State Plan

BK3001143091 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Jan 91

["Report on the National Assembly's 20th Ordinary Session, First Legislature"]

[Text] On the afternoon of 30 January, the State of Cambodia's National Assembly's 20th ordinary session, first legislature, continued its work as scheduled.

The parliamentary members carefully listened to the debate on the report concerning the implementation of the 1990 state planning and its objective for 1991. National Assembly members who expressed their views this afternoon were Comrade Som Chen, parliamentary member for Kampot constituency; Comrade Khou Chandara, member for Siem Reap-Oddar Meanchey constituency; Comrade Kong Srun, member for Battambang constituency; Comrade Khieu Kanharit, member for Kandal constituency; Comrade Som Kimsuor, member for Kampot constituency, and Comrade Thong Khon, member for Phnom Penh constituency.

The session adjourned temporarily at 1635 and will resume its work tomorrow morning.

Discusses Tax Bill

BK3101135791 Phnom Penh Domestic Service in Cambodian 1300 GMT 31 jan 91

[Text] The 20th regular session of the first National Assembly of our State of Cambodia resumed its work as scheduled on the afternoon of 31 January when the entire assembly attentively listened to the debate on the bill concerning the issuance of security bonds, patriotic bonds, fiscal stamps, duty stamps, measurement stamps, notary fees, national lottery, slaughtering duties, and taxes on transportation means and vehicles of all types.

National Assembly members who took part in this afternoon's debate were Comrade Hun Sen, chairman of the Council of Ministers and deputy for the Kompong Cham Constituency; Comrade General Tie Banh, vice chairman of the Council of Ministers and deputy for the Kompong Thom Constituency; Comrade Cha Ven, secretary general of the Council of State and deputy for the Phnom Penh Constituency; Comrade Uk Bunchhoeun, minister of justice and deputy for the Battambang Constituency; Comrade Chem Snguon, chairman of the National Assembly Legislative Commission and deputy for the Svay Rieng Constituency; Comrade Cha Rieng, deputy for the Kandal Constituency; Comrade Chhay Than, minister of finance; Comrade Cheam Yiep, deputy for the Prey Veng Constituency; Comrade Mi Samedi, deputy for the Phnom Penh Constituency; Comrade Sam Sundoeun, deputy for the Phnom Penh Constituency; Comrade Mrs. Khou Chandara, deputy for the Siem Reap-Oddar Meanchey Constituency; Comrade Thao Saran, deputy for the Prey Veng Constituency; and Comrade Van Phan, deputy for the Kampot Constituency.

The session recessed at 1650 and will continue tomorrow.

Pol Pot Calls on Cambodians To Protect Wildlife

BK3101042991 Bangkok BANGKOK POST in English 31 Jan 91 p 8

[By James Pringle]

[Text] Phum Dong, Cambodia—Pol Pot, the infamous leader of the Khmer Rouge, has called on Cambodians to protect endangered species.

He means, of course, Cambodia's diminishing wildlife, though during the period of Khmer Rouge rule from 1975 to late 1978, the most endangered species here was the human species.

An estimated one million Cambodians died of starvation or murder at that time.

But now, Western intelligence sources along the Thai-Cambodian border say that Pol Pot recently issued a directive calling on Cambodians not to poach birds and animals, and to refrain from killing them for any reason.

The sources said that, in areas where poaching is most serious, the Khmer Rouge is fencing off animal sanctuaries. Pol Pot has said that wild birds and animals are an important part of Cambodia's heritage.

One of the Khmer Rouge leader's most trusted lieutenants, Ta Mok, who is known by Cambodians as "The Butcher" because of his extreme cruelty, is also now hot on ecology issues and the protection of endangered species, the sources said.

Anyone contravening Pol Pot's "green" directive along the northern border of Cambodia where Ta Mok operates is brought before a jungle court and is normally sentenced to four days' labour on constructing fencing for animal sanctuaries, the sources add.

Here in Phum Dong, a Cambodian village under the control of the Khmer Rouge, people seem to be honouring Pol Pot's "green" strictures—there are no animals for sale.

The situation is rather different at Psar Kandal, 24 km north of here, in an area controlled by the Vietnam-backed Phnom Penh regime.

While visiting this area recently, I was offered a live bear cub (for 13,000 baht), a pelican (for 350 baht), owls, hawks, monkeys, otters, mongooses, tortoises and a pangolin, which is a kind of scaly anteater.

Cambodians say they need animals for food or medicine or for selling to Thai traders to earn income.

When I asked the owner of the bear cub, a furry, friendly creature, if he would consider releasing it, he said: "But I am a poor man, Monsieur. I bought this cub from the forest people with my own funds. I need to sell it in order to feed my family."

During 21 years of war and repression, Cambodia's wildlife has been decimated, sometimes for food for an often hungry population but often because of mines or unexploded bombs.

It would be particularly tragic—but perhaps symbolic of Cambodia's plight—if the kouprey was extinct here for it is the country's national animal.

Phnom Penh Exposes Sihanouk's 'Lies, Slander'

BK3101092391 Phnom Penh Domestic Service in Cambodian 1300 GMT 30 Jan 91

[Station commentary: "A Liar Always Gets Himself Into Trouble for the Many Lies He Told"]

[Text] Lord Buddha, our great teacher, has taught all Buddhist followers on earth not to tell lies, slander, nor deceive the others because these are evil deeds that will inevitably bring disaster to those who perform them.

It is regrettable that Sihanouk—who used to boast of being a devout Buddhist who played the role of the tenth Bodhisattva, the Noble, and the next Bodhisattva who will save mankind—has continued to tell lies.

In 1979, knowing well that the Vietnamese volunteer troops were coming to save the Cambodian people who were being massacred by the Pol Pot clique, Sihanouk lied to those at the UN Headquarters in New York when he said that Vietnam invaded Cambodia.

During the past more than 12 years, although he knows well that the Pol Pot clique has not changed its cruel and barbarous nature, Sihanouk has tried to trick our people into believing and trusting the Pol Pot clique and accepting its role in the political solution for the Cambodian problem. The most ridiculous point is that after being appointed as the head of the phantom Democratic Kampuchean Government, Sihanouk has continued to lie about his resignation from this powerless post. Due to these lies, international public opinion named Sihanouk the trickiest king [title as heard], second to none in the world.

In 1990, King Sihanouk lied again when he said that he had stopped being the head of this landless government and that he is above the warring Cambodian factions.

In September 1990 while the Cambodian groups were meeting in Jakarta in order to complete the composition of the Supreme National Council [SNC], Sihanouk lied to the State of Cambodia that he would be attending the meeting. But when the State of Cambodia's delegation arrived in Jakarta, Sihanouk claimed that he was sick. It was due to this lie that Sihanouk's name has not been entered in the SNC namelist until now.

Moreover, Sihanouk has echoed the Pol Pot clique's lies about the so-called Vietnamization in Cambodia, that Vietnam still has troops in Cambodia, and so forth.

Sihanouk once more recently lied that the State of Cambodia's side has hidden a large quantity of weapons along the Cambodia-Vietnam and Cambodia-Laos borders—the mountainous and forested areas over which the Pol Pot clique has claimed full control. Doesn't this mean that the State of Cambodia has hidden its weapons in the Pol Pot clique's liberated zone?

In addition to telling lies, Sihanouk has slandered other people in an extremely despicable manner. Although Sihanouk knows the State of Cambodia truly has the goodwill to seek a political solution, he has accused the State of Cambodia's side of hindering the Cambodian peace process, claiming that the State of Cambodia refuses to fully accept the framework document of the five big powers and the peace plan of the United Nations dated 26 November 1990. Worse still, Sihanouk has even slandered the leaders of the Phnom Penh government.

But Sihanouk's lies were caught and exposed. On 23 January, a Paris court handed down a 20,000-franc fine on Sihanouk for his statement defaming Comrade Hor Namhong, foreign minister of the State of Cambodia, published in the 23 July 1990 issue of the French journal DIMANCHE. The court said that judging from all evidence, Sihanouk's statement was justified neither by the historical context nor the political debate.

This is comparable to the old saying which goes: A liar always gets into trouble for the lies he has told.

Defense Minister Tie Banh Greets Lao Counterpart

BK2001102591 Phnom Penh Domestic Service in Cambodian 1200 GMT 20 Jan 91

[Message from Defense Minister Tie Banh to Lao counterpart Khamtai Siphandon on Army day; date not given—read by announcer]

[Text] Dear Comrade Minister:

On the 42d founding anniversary of the fraternal Lao Army, on behalf of the leadership of the Defense Ministry, cadres, and combatants of the entire Cambodian People's Army, and in my own name, I would like to express sincere and warmest congratulations on this day of historic significance.

In the past 42 years, under the correct and clear-sighted leadership of the Lao People's Revolutionary Party, the heroic Lao people and Army, with their lofty patriotic spirit, have made efforts to valiantly and courageously struggle and completely defeated all colonialist wars [words indistinct] and international reactionary forces. They have also managed to (?carry on) their revolution and develop their nation and democracy. Furthermore, the Lao people and Army continue to brave all kinds of problems to defend and rebuild the nation, which has been ruined by protracted fighting, and achieved progress worthy of pride.

Our people and Army would like to sincerely congratulate the victories scored by the Lao party, government, and people. These are also brilliant experiences for developing, building, and defending our country. May the relations of solidarity and friendship and cooperation, particularly between our two people and Armies, be further consolidated and expanded with better results.

Please accept my high consideration.

Leaders Condole Death of Laos' Sali Vongkhamsao

BK3001055291 Phnom Penh SPK in English 0421 GMT 30 Jan 91

[Text] Phnom Penh SPK January 30—Cambodian party and state leaders have sent a message of condolences to their Lao counterparts over the death of Sali Vongkhamsao, Politburo member of the Lao People's Revolutionary Party Central Committee, vice premier and minister of economic, planning and finance.

The message, jointly signed by Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council; Chea Sim, chairman of the National Assembly; and Hun Sen, chairman of the Council of Ministers, was addressed to Kaysone Phomvihan, general secretary of the LPRP Central Committee and chairman of the Council of Ministers; Phoumi Vongvichit, acting president of the Lao People's Democratic Republic; and Nouhak Phomsavan, chairman of the People's Supreme Assembly.

The message said: "Sali Vongkhamsao was an eminent son of the Lao people, and a staunch and devoted leader of their struggle against the colonialists, imperialists, international reaction and their stooges, for peace, independence, and social equality in Laos.

"Sali Vongkhamsao was always a defender of the fraternal solidarity and multiform cooperation between our two countries, as well as the militant solidarity among the three Indochinese nations."

Say Chhum-Led Delegation Returns From Laos

BK3101062691 Phnom Penh SPK in English 0413 GMT 31 Jan 91

[Text] Phnom Penh SPK January 31—A party and state delegation led by Say Chhum, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and deputy prime minister, was back home Wednesday from Vientiane, Laos after attending the funeral of Sali Vongkhamsao, Politburo member of the Lao People's Revolutionary Party Central Committee and deputy prime minister.

The solemn funeral rite for the late deputy chairman of the Lao Council of Ministers, Sali Vongkhamsao, was held on Monday at That Luong Square and attended by Lao leaders and a large crowd of the public.

The Cambodian delegation was among other foreign delegations—the delegation of Vietnam headed by Dong Sy Nguyen, deputy prime minister; that of China by General Hong Xuezhi, vice president of the Chinese People's Political Consultation Council of the Communist Party of China Central Committee; and Thailand by Foreign Minister Athit Urairat.

Also in the same afternoon, Deputy Prime Minister Say Chhum met with the Thai foreign minister, Mr. Athit Urairat.

Their talks centered on bilateral cooperation, the repatriation of Cambodian refugees, and the search for a political solution to the Cambodian issue by peaceful means in response to the earnest aspiration of the Cambodian people and peace-loving people the world over. The talks proceeded in an atmosphere of mutual understanding and frankness.

Indian Prime Minister Sends Greetings to Hun Sen

BK2301140491 Phnom Penh Domestic Service in Cambodian 1300 GMT 23 Jan 91

[Text] Comrade Hun Sen, chairman of the Council of Ministers of the State of Cambodia [SOC], received a message of greetings from his Indian counterpart, His Excellency Chandra Shekhar, on the 12th anniversary of the 7 January national day.

The message read: On behalf of the Indian Government and people as well as in my own name, I am very pleased to convey best wishes to Your Excellency on the joyful national day of the SOC. Your recent successful visit to India has further stengthened the close relations of friendship between our two peoples.

Availing myself of this opportunity, I wish to reaffirm that India will continue to actively support the efforts to bring about a peaceful solution in Cambodia, thereby restoring peace and glory to the Cambodian people.

Leaders Receive Greetings From Cuban Counterparts

BK1901093791 Phnom Penh SPK in French 0445 GMT 19 Jan 91

[Text] Phnom Penh 19 Jan (SPK)—Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] Central Committee and chairman of the Council of State, and Hun Sen, chairman of the Council of Ministers, received a message of warm greetings from Cuba on the 12th anniversary of the 7 January national day.

The message, signed by Fidel Ruz Castro, general secretary of the Cuban Communist Party Central Committee and chairman of both the Republic of Cuba's State Council and the Council of Ministers, mainly said:

"We have noted with satisfaction the successes achieved by the Cambodian people under the just leadership of the KPRP during the past 12 years as well as their efforts in defending the revolutionary gains, in solving the consequences left behind by the genocidal regime, and in fighting off all manner of inside and outside maneuvers to hinder the revolution of your country.

I am firmly convinced that thanks to your struggle, peace will be restored to the motherland of Angkor, then you will certainly have the opportunity to rebuild your country.

With their firm position based on the fundamental principle of the Marxist-Leninist socialism and that of the proletarian internationalism as well as on the current international situation, the Cuban party, government, and people voice their determination to deepen the fraternal relations with the State of Cambodia and reaffirm their support for your efforts to achieve peace in the region and a fair settlement of the Cambodian problem."

In the meantime, Hor Namhong, Cambodian foreign minister, also received from his Cuban counterpart, Isodoro Malmierca, a congratulatory message.

Bulgarian President Zhelev Greets Heng Samrin

BK1901041191 Phnom Penh Domestic Service in Cambodian 1300 GMT 18 Jan 91

[Text] Comrade Heng Samrin, chairman of the Cambodian State Council, received a message of greetings from His Excellency Zhelyu Zhelev, president of the Republic of Bulgaria, on the 12th anniversary of the 7 January National Day.

The message read: I would like to convey to Your Excellency cordial greetings and best wishes on the Cambodian national day. I am convinced that the time of restoring peace and reconciliation that the Cambodian people are receiving will provide new impetus for developing future fruitful relations between Bulgaria and Cambodia.

Bulgarian Premier Sends Greetings to Hun Sen

BK2001060891 Phnom Penh Domestic Service in Cambodian 1300 GMT 19 Jan 91

[Text] Comrade Hun Sen, chairman of the State of Cambodia's Council of Ministers, received a message of greetings from his Bulgarian counterpart, Comrade Dimitur Popov, on the 12th anniversary of the State of Cambodia's national day.

The message read: Your Excellency, please accept my cordial greetings and best wishes. May your people enjoy peace and well-being. I am convinced that the relations between our two countries will continue to develop in the future on the basis of the traditional friendship and cooperation between our two peoples.

Albanian Leaders Greet Heng Samrin, Hun Sen

BK1901093091 Phnom Penh Domestic Service in Cambodian 0430 GMT 19 Jan 91

[Text] On the State of Cambodia's 12th national day, Comrade Heng Samrin, chairman of the State of Cambodia's Council of State; and Comrade Hun Sen, chairman of the Council of Ministers, received a congratulatory message from Comrade Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania; and Comrade Adil Carcani, chairman of the Council of Ministers. The message says in essence:

On behalf of the Albanian people, the Presidium of the Albanian People's Assembly, and the government, and in our own names, we would like to address you and the Cambodian people warm congratulations and best wishes. The Albanian people have followed with attention the Cambodian people's efforts for progress and peace. May the Cambodian people be successful.

We would like to take this opportunity to express the belief that relations of friendship between our two countries will always develop for the common interest of our two peoples.

Prince Ranariddh Visits Liberated Zone of Ampil

BK3101071091 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 31 Jan 91

[Text] Prince Norodom Ranariddh, personal representative of Samdech Norodom Sihanouk in Asia and Cambodia and supreme commander and commander-in-chief of the National Army of Independent Cambodia [NAIC], recently paid a visit to the liberated zone under the control of the NAIC in Samraong District, Oddar Meanchey Province.

Accompanied by a number of commanders, Prince Norodom Ranariddh paid a two-day visit to Ampil region in Samraong District, Oddar Meanchey Province, some 30 km from the Cambodian-Thai border. During the trip the prince conferred ranks on a number of officers in the 5th, 2d, and 7th Brigades of the NAIC. During the same visit, he also met with and distributed some presents to Cambodian citizens living in the region.

Interview With Battambang National Council Member

BK3101100591 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 30 Jan 91

[Interview with an unidentified representative of the National Council of Battambang town by station correspondent on 25 January—recorded]

[Summary] [Correspondent] Please tell us about the current situation in Battambang town.

[Council member] Since the negotiations to end the Vietnamese war of aggression in Cambodia in line with the 28 August 1990 document of the permanent five UN Security Council [UNSC] members, which enjoins that all aggressor Vietnamese forces should pull out of Cambodia under specific UN verification, the genocidal Vietnamese aggressors and the traitorous Hun Sen-Heng Samrin-Chea Sim lackeys have been bringing fresh Vietnamese troops into Cambodia and distributing them both inside and around Battambang town, thus increasing the confusion here. "The people are not allowed to flee Battambang town. This is their criminal policy of using the people as shields against attacks. Furthermore, they have been robbing the people of all their scant belongings, such as chicken, ducks, piglets, gold, money, and other goods ranging from fish pastes to merely a canful of rice. More savage still, they have raped our women, young and old. They have also conscripted our men of all ages. In the meantime, Vietnamese policemen went from house to house in search of resistance fighters, charging that the inhabitants of Battambang have been harboring them."

Moreover, in the past few days many Cambodian soldiers have fled into town from Treng, Sdau, and Snoeng on the Route 10 battlefield because they have refused to fight and die in the place of the Vietnamese aggressors and traitorous puppet ringleaders. These deserters from Route 10 are a hungry lot, marauding in the city or robbing the people of their food and brawling or engaging in gunfights with Vietnamese and puppet soldiers in town. Furthermore, the city streets have become clogged with armored personnel carriers, military trucks, and artillery pieces fleeing from Treng, Sdau, O Andong, and Boeng Ampil. The enemy in Battambang Town has thus lost the combat initiative.

[Correspondent] What is the impression of the people of Battambang town regarding the permanent five UNSC members' peace plan for Cambodia?

[Council member] "The people of Battambang town, as a whole, fully accept and support all documents to end the Vietnamese war of aggression in Cambodia. Like those in the rest of the country, the people of Battambang town want independence and peace. They want to live in freedom and democracy, to live with all their loved ones, and to enjoy a better livelihood compared to the miserable existence experienced under the dictatorial regime of the genocidal Vietnamese enemy aggressors and their lackeys, puppet Hun Sen-Heng Samrin-Chea Sim traitors."

The Hun Sen-Heng Samrin-Chea Sim Vietnamese lackeys are against the UNSC document and try to sabotage it in every way. In Battambang town, they arrogantly announced that they would carry on the Vietnamese war of aggression to continue massacring the Cambodian people. This alone is enough ground to bring the puppets before a war crime tribunal. "Battambang's people have no choice but to join the force of great national union of the people to fight until Battambang town and the rest of the country are completely liberated. The people of Battambang town fully support the newly established village, commune, district, and municipal national councils of Battambang."

[Correspondent] Do you have anything else to say to the people?

[Council member] "I would like to tell our fathers, mothers, and brothers and those in the employment of the Vietnamese enemy and puppets in and around Battambang town that the situation in Battambang town is most critical. The national resistance forces are mounting attacks on the genocidal Vietnamese enemy aggressors from all directions. Battambang town is now under siege. For this reason, the people of Battambang should immediately evacuate the town to get out of the path of war. If you are prevented from doing so by the genocidal Vietnamese enemy aggressors and the traitorous Hun Sen-Heng Samrin-Chea Sim ringleaders, you must join hands and fight back and smash their heads from within Battambang town, now that the national resistance forces are fighting to liberate you from without. United we stand, and we can stand with freedom and democracy."

Indonesia

Further Developments Relating to Persian Gulf

Alatas Urges Iraq To Withdraw

BK3001154491 Hong Kong AFP in English 0926 GMT 30 Jan 91

[Text] Jakarta, Jan 30 (AFP)—Indonesia called on Iraq to withdraw its troops from Kuwait and for the United States to give assurances that a pullout would lead towards the settlement of other long standing Middle East issues.

Foreign Minister Ali Alatas said an Iraqi pullout "will not be something embarrassing to Iraq" but would strenghten non-aligned countries, including Arab ones, in their "lawful claim that Israel withdraws from the Arab and Palestinian territories it has occupied illegally for years."

Mr. Alatas, speaking at a parliamentary hearing, also called on Washington "to issue more concrete guarantees that following the withdrawal of Iraqi troops from Kuwait, all other major issues in the region, especially the Palestinian problem, will be really settled comprehensively too."

He said such an approach would help put an immediate end to the Gulf war between the U.N.-sanctioned coalition and Iraq.

Indonesia, the world's most populous Moslem country with more than 80 per cent of its 180 million people following the faith, has deplored both the Iraqi invasion of Kuwait and the use of armed forces in efforts to settle the issue.

"What should be deplored even more ... Only Israel will be able to gain real political and military advantages," Mr. Alatas said.

Indonesia does not have diplomatic relations with Israel and has consistently supported the Palestinian struggle.

"With the Iraqi action of invading Kuwait, which is now followed by war, we are undergoing serious disunity within ourselves," Mr. Alatas said, pointing to the splits within various Third World organisations since the start of the Gulf crisis.

He said such Third World groupings as the Non-Aligned Movement, the Organisation of the Islamic Conference, the Arab League, the Organisation of Petroleum Exporting Countries, all fell more or less victim to the Gulf crisis.

Efforts should now be made to step up pressure for a peaceful settlement in the gulf through these groups, Mr. Alatas said.

Meanwhile parliamentarian Ardi Partadinata, claiming to also speak for his colleagues, expressed support for U.N. resolutions and called on the government to send humanitarian aid to the victims of the conflict.

He also called on the government to take "more concrete steps" towards a comprehensive settlement in the Middle East, especially concerning the rights and sovereignty of the Palestinian people.

Murdani Warns Against Terrorism

BK3101113691 Jakarta ANTARA in English 1023 GMT 31 Jan 91

[Text] Jakarta, Jan 31 (OANA/ANTARA)—The government will not tolerate any terrorism act launched linked to the ongoing Gulf war, Defense and Security Minister L.B. Murdani said here Friday [day as received].

During a parliamentary hearing he said that Indonesia must not become another place of conflict between Iraq and the U.S.-led multinational forces and any form of terrorism here would be very sternly dealt with.

I would like to use the hearing session to remind those intending to launch terrorism either to support Iraq or the multinational forces that the government will not tolerate any of them, he stressed.

Answering questions on the possibility of sending Indonesian troops to the Gulf region, he reiterated that: the country has no such tradition. It will only send troops abroad as a part of a UN peacekeeping force and not to fight other country or countries.

Under the UN peacekeeping force, Indonesia once sent troops to Congo, the Middle East, Vietnam, Namibia, as well as during the Iran-Iraq conflict, he said.

Alatas on Workers in Saudi Arabia

BK3001161091 Jakarta Domestic Service in Indonesian 1500 GMT 30 Jan 91

[Excerpt] Foreign Minister Ali Alatas stressed that the Indonesian nationals who are present in eastern provinces of Saudi Arabia are working as public transport drivers. They do not enter the militarized zones.

Speaking at a working meeting with Parliamentary Commission I in Jakarta today, Minister Ali Alatas admitted that there are several Indonesian drivers apart from drivers of other nationalities who are on duty in the eastern provinces of Saudi Arabia.

According to Ali Alatas, basing on a report from the Indonesian ambassador in Riyadh, there are 350 Indonesian drivers working in Saudi Arabia. The Indonesian drivers are working at a local public transport company and the company's authority is very pleased with them because they are generally deligent, responsible, and highly disciplined. [passage omitted]

Airline Reduces European Flights

BK2901124991 Jakarta ANTARA in English 1046 GMT 29 Jan 91

[Text] Jakarta, Jan 29 (OANA-ANTARA)—The nation's flag carrier Garuda Indonesia has reduced again the frequency of its flights to and from Europe from ten to nine times a week, the airline's spokesman A. Aufar announced on Tuesday.

"The reduction of flights is made due to the Gulf war which has caused a decrease in the number of passengers in the Indonesia- Europe routes," Aufar explained.

The flights frequency was reduced for the first time on January 21 from 14 to 10 times a week.

Garuda Indonesia will continue to analyse daily the yields of the Indonesia-Europe (vice-versa) flights. When statistics show they are beginning to regain profitability, the company will again increase the number of flights, Aufar said.

On the other hand, it could also be reduced still further.

The nine routes now served by Garuda are Jakarta-Amsterdam, Jakarta-London, Jakarta-Frankfurt, Denpasar-Amsterdam, Denpasar- Frankfurt-Amsterdam, Jakarta-Paris, Denpasar-Frankfurt, Jakarta- Rome-Amsterdam and Jakarta-Paris-Amsterdam.

Meanwhile, Aufar admitted Garuda suffered a loss of around five billion rupiahs a week in its European service.

This is due to the fact that because of the Gulf war its planes have to fly a longer and more costly route to avoid the Gulf area. In the Jakarta-Frankfurt route, for instance, Garuda planes have to pass through Bangkok, Afghanistan, Southern Russia and Tblisi.

Furthermore, Garuda has to subsidize insurance costs which have risen by six times, he said.

Refueling also now has to be done in Bangkok and for that reason Garuda has to send its own tanker to Thailand.

Dailies Comment on Peace Efforts

BK3101094791 Jakarta Domestic Service in Indonesian 0600 GMT 30 Jan 91

[From the press review]

[Text] MERDEKA believes that a cease-fire is the only way to end the current Gulf war. What is important now is how to prevent all Third World countries, including Indonesia, from being dragged into a serious and prolonged economic recession. All countries in the world must create collectively a new world economic order because an imbalanced economic order among the rich and poor countries will always lead to disasters, including wars, which keep recurring.

Meanwhile, PELITA believes that the world may be waiting for a more aggressive initiative launched by Indonesia. Such an initiative will ensure that the image of Indonesia as a leading member of the Nonaligned Movement, the country which initiated the formulation of the Bandung Declaration [during the 1955 Asian-African Conference], and the world's most populous Muslim country, is not lost.

Speaking on the same issue, NERACA says the United Nations, Arab organizations, and the Nonaligned Movement must exert active efforts to stop the fighting. This daily believes that it is not enough for the UN secretary general to issue statements and he should take more concrete actions to stop the war.

BERITA YUDHA discusses Egyptian President Mubarak's proposal to hold a cease-fire in the Gulf war by adopting a consistent stand, namely, Iraq must withdraw from Kuwait. Such withdrawal is meant to prevent Iraq from further attacks by the multinational forces.

SUARA KARYA says Saddam Husayn's annexation of Kuwait cannot be unjustified, but viewed from the revival of the Arab world, his action is seen as an effort to remove the political and economic hegemony of the Western powers, which in turn have decided to inflict destruction on the Iraqi territory and society. Is this what President Bush and his allies want? Is this what the democratic-minded and tax-paying U.S. people want? The Arab nations which have invited the multinational forces into their territories should ponder the preceding questions.

ANGKATAN BERSENJATA hopes that against the background of the current difficult situation, the United States and its allies, currently fighting under the UN mandate, should show their wisdom by initiating a move to solve the Palestinian issue in the framework of seeking a comprehensive solution to the Middle East problem. This daily believes such a move will be able to force Iraq to withdraw from Kuwait and sit at the negotiating table.

Western Policies on USSR, Gulf 'Ridiculous'

BK3001135791 Jakarta MERDEKA in Indonesian 24 Jan 91 p 5

[Editorial: "The Ridiculous Attitude of the West"]

[Text] The U.S.-led Western countries have strongly criticized Soviet military action in the Baltic republics and even threatened to stop providing loans and aid to the Soviet Union if its military action in the republics continues.

The attitude of the Western leaders is really ridiculous. Indeed, this is a "ridiculous" attitude because the Western leaders have not only interfered in the internal affairs of a sovereign country but they have also totally failed to take a critical look at themselves.

Indeed, this is very ridiculous because they pretend to be the most humane people at a time when they are collectively brutally attacking Iraq with bombs and missiles. As their military forces are perpetrating the brutal aggression by massacring people in Iraq, these Western leaders are simultaneously trying to destroy the Iraqi people who are defending their sovereignty.

This excessive political game will definitely incite mockery from the world community which truly loves independence and peace. Why have the Western leaders allied in the Gulf not acknowledged their mistake?

Have they not violated the sovereignty of a country in addition to carrying out their brutal action? Unlike the allied military forces in the Gulf, the Soviet forces are within their own country or territory even if they are conducting a "law and order" campaign.

The Western leaders are fighting a sovereign nation. They are perpetrating not only an intervention but also an inhuman aggression. Why not?

Is Iraq not a sovereign country owned by the Iraqi people? Are the Iraqi people not defending their national sovereignty? Have the U.S.-led allied military forces not conducted a policy of neocolonialism and imperialism?

Have the U.S.-led military forces not conducted a policy of hegemonism against a nation which is firmly defending its dignity and national interests? By this reasoning, why should the Western leaders stage a "drama" in defense of the people of the Baltic republics which are an integral part of the Soviet Union?

Is this simply an attempt to arouse "sympathy" or just a diplomatic formality? Why do the Western leaders not stop bomb and missile attacks on Iraq and Kuwait if they truly want to defend humanity?

Do they hold different values on human beings in Iraq and the Baltic republics? What is the most basic difference? Is not the criticism by certain Western leaders of the Soviet military action in the Baltic republics essentially a hegemonistic political maneuver?

The world community will eventually come to know that what the Western leaders have done has been motivated solely by their political and economic interests. In essence, they simply want to show the world community that they are the only ones who "deserve" to be in charge of all affairs the world over.

In the meantime, the leaders and peoples of other countries are not allowed to be in charge of their respective countries, peoples, and motherlands. This means that the Western leaders have proclaimed themselves as the world's policemen.

The political attitude and behavior of the Western countries is becoming increasingly clear. They always think that they are the most superior, the strongest, and the most powerful. However, with the current Gulf war, the world community has increasingly realized that the most effective force on earth is nothing but the one supported by all people.

No forces can "conquer" or defeat a force supported by the people. The "effectiveness" of weapons or equipment, no matter how sophisticated they may be, will eventually be determined by the motivation of the human beings in charge of them.

Like it or not, weapons and war equipment, no matter how sophisticated they may be, are nothing but a means, not an end. A goal must eventually be set by human beings. Will they be used to serve humanity or instead to destroy human civilization?

Accordingly, will the world community sooner or later come to know the political "interplay" [preceding word in English] or "maneuver" of the United States and its allies toward the Soviet Union in connection with the Baltic republics? What are the United States and its allies truly after?

Do they simply want to "dictate" to the Soviet Union to follow their will and wishes to show that they are "world policemen" so that they can do whatever they like regardless of whether their attitude and behavior can hurt the feelings of mankind?

Alatas To Attend Talks on Cambodia in Bangkok

BK3001065691 Jakarta Domestic Service in Indonesian 0600 GMT 30 Jan 91

[Text] Foreign Minister Ali Alatas says the escalation of the Gulf war has diverted the attention of several countries in their efforts to solve the Cambodian problem. However, such efforts will continue and it is hoped that the existing momentum to find a comprehensive solution to the conflict will not be reduced.

Speaking after conferring an Indonesian Government medal on George M. Kahin, a political science professor from Cornell University, in Jakarta yesterday, Alatas disclosed that he would leave for Bangkok this evening to resume efforts to mediate disagreement among the Cambodian warring factions. From Bangkok, Minister Alatas will proceed to Hanoi and Paris. He said his upcoming trip is aimed at clarifying certain issues and holding talks with the Thai and Vietnamese Governments.

Views Purpose of Bangkok, SRV Trips

BK3001153691 Hong Kong AFP in English 1004 GMT 30 Jan 91

[Text] Jakarta, Jan 30 (AFP)—An upcoming visit to Hanoi and Bangkok by the co-chairmen of an international peace conference and a U.N. representative will pave the way for further Cambodian peace negotiations, Foreign Minister Ali Alatas said here Wednesday.

The visit, Mr. Alatas said after a parliamentary hearing, was to "explain and accomodate questions or opinions of the Vietnamese Government on a draft of a comprehensive peace agreement on Cambodia drafted by the two co-chairmen."

The same explanations would also be given to Thai officials upon return from Vietnam Sunday, Mr. Alatas said.

"It is part of steps taken by the two co-chairmen to smooth the negotiation process in the next phase," he said.

Mr. Alatas is scheduled to fly to Bangkok later Wednesday where he will join French Minister Delegate Edwige Avice and the U.N. Deputy Secretary General Ahmad Rafiuddin. The three are due to leave for Hanoi Thursday.

The draft document has already been presented to the Cambodian leaders grouped under the Supreme National Council in Paris in December.

"What is important is that we enter the next negotiations with an accurate understanding of several aspects ... On what the (draft text) is aimed to achieve," Mr. Alatas said.

Indonesia and France co-chaired the Paris International Conference on Cambodia (PICC) in September 1989 which was suspended after the four warring Cambodian factions failed to agree on a power sharing arrangement.

The draft is scheduled to be further discussed by a coordinating committee of the PICC before it could be signed by ministers of the conference.

No date has yet been set for the meeting of the coordinating committee.

(Diplomatic sources in Hanoi said Wednesday the visit was unlikely to achieve major breakthroughs.

(But one senior envoy said the fact that they would come while the world is preoccupied with the Gulf war was a "good sign" as it demonstrated abiding overseas interest in solving the 12-year-old Cambodian conflict.

(The team is due to meet Vietnamese Foreign Minister Nguyen Co Thach and Prime Minister Do Muoi. But one diplomatic source said their agenda had not been finalised.)

At the last meeting of the four warring Cambodian sides in Paris in December the Phnom Penh government and three-party resistance alliance agreed on most fundamental points of a peace plan drafted by the five permanent members of the U.N. Security Council.

Phnom Penh, however, refused to demobilise its army and demanded that any accord must mention "genocide" in reference to the Khmer Rouge's 1975-79 rule of Cambodia.

Vietnam installed the current Phnom Penh government upon ousting the Khmer Rouge, which is held responsible for the deaths of hundreds of thousands of Cambodians. The group now forms the military backbone of the resistance.

(One informed diplomat said the visitors were likely to try to persuade Vietnam to pressure Phnom Penh to accept fully the peace plan worked out by the permanent five—Britain, China, France, the Soviet Union and the United States.

("Naturally they will have to do their best to settle the problem," he said, adding that he doubted the Vietnamese would try to intervene as they seemed to support Phnom Penh's position.

(But one political observer noted that China, the main backer of the Khmer Rouge, would refuse to budge from the peace plan, which it viewed as a major concession on its behalf.

(This position made "things not very easy for Vietnam and Phnom Penh," he said.)

Le Quang Dao in Jakarta for Official Visit

BK2701111291 Hanoi International Service in English 1000 GMT 27 Jan 91

[Text] A delegation of the Vietnamese National Assembly led by its Chairman Le Quang Dao arrived in Jakarta on Saturday, 26 January, for an official friendship visit to Indonesia.

On the same day, the delegation held talks with its Indonesian counterpart. The two sides exhanged views on international and regional issues of mutual concern and the development of the friendly relations and cooperation between the two countries. Later in the evening President of the Indonesian Parliament Kharis Suhud held a banquet in honor of the Vietnamese guests.

Laos

U.S. Team Arrives To Inspect Rural Project

BK3101104291 Vientiane KPL in English 0854 GMT 31 Jan 91

[Text] Vientiane, Jan 31 (KPL)—Officials of the U.S. State Department are now here to inspect progress made in the framework of the Lao-American integrated rural development project based in Viangthong and Houa Meuang Districts of the northern Houa Phan Province. It was reported that the officials told the Viangthong administration that the U.S. side will continue supporting the project so that it can be completed soon.

The American team of the U.S. State Department made up of an official responsible for the project budget, an official for monitoring cooperation work in Laos and a consultant for the project attached to the U.S. Embassy here have recently made an on-the-spot inspection of the project activities.

Among the project work completed so far includes the cutting of Hiam-Son road, the construction of an office building and a vocational training centre.

Between Jan 23-27 this year, the project opened the first training course for 47 local officials at district and village levels in the framework of alternative way of life regarding cultivation. This is designed to provide the officials with ways to take up a new assignment, to introduce rice cultivation along side with secondary crops plantation, and to arrange fixed settlement for people. The effort will lead to an end to poppy plantation.

Seeing the reality, one of the U.S. team members said he felt positive about the possibility of ending the poppy plantation, from which heroin is produced. Therefore they will try their best to support the project as planned.

Agreement on Film Cooperation Signed With USSR

BK3101072891 Vientiane Domestic Service in Lao 1200 GMT 30 Jan 91

[Text] Yesterday morning, Somnit Vankham, deputy minister of information and culture, and Medvedev, vice chairman of the State Committee for Cinematography of the Soviet Union, signed, in a ceremony in Vientiane, an agreement on a cooperation plan for 1991 between the Information and Culture Ministry of the Lao People's Democratic Republic [LPDR] and the State Committee for Cinematography of the Soviet Union.

The two sides have agreed to exchange delegations and a number of motion pictures on the celebration of the 46th anniverasry of the victory of the Soviet Army in resisting the German fascists and the Japanese militarists, and on the celebration of the 15th anniversary of the establishment of the LPDR. They have also noted the Lao participation in the film festival in Moscow, the joint document printing work, and Soviet assistance to Laos in producing motion pictures. In addition, the two sides have agreed to step up and promote the relations in motion picture trade and exchanges based on the concrete agreement signed between the (O. S. Tolskin) Compamy of the Soviet Union and the State Cinema Company of the LPDR.

PRC Company Supplies 2 More Passenger Planes

BK3101104091 Vientiane KPL in English 0852 GMT 31 Jan 91

[Text] Vientiane, Jan 31 (KPL)—Two more Y-12 planes worth 1,950,000 million [as received] U.S. dollars each made by the Chinese National Technology Export-Import Company were delivered here yesterday afternoon to the Lao aviation.

The payment is made on installment within seven years with an annual 7 percent interest.

The Y-12 plane type carries 17 passengers and 1,700 kgs of luggage. It flies at a speed of 300 km/h at an altitude of 3,300 metres.

The Lao aviation will station one plane in Pakse and the other in Luang Prabang.

The Lao aviation has had two Y-12 planes in operation.

KPL on Thai Meeting With Vietnamese, Cambodians

BK2901121291 Vientiane KPL in English 0923 GMT 29 Jan 91

[Text] Vientiane, Jan 29 (KPL)—A delegation of the Kingdom of Thailand led by its Foreign Minister Athit Urairat yesterday morning paid a courtesy call on Mr. Phoun Sipaseut, vice chairman of the Council of Ministers and minister for foreign affairs of the Lao People's Democratic Republic.

The Thai delegation arrived here on Jan. 28 to participate in the funeral of the vice chairman of the Lao Council of Ministers Sali Vongkhamsao, who passed away here on Jan 23.

On the same afternoon, the Thai delegation held separate meetings with a visting delegation of the Socialist Republic of Vietnam led by Dong Sy Nguyen, vice chairman of the Vietnamese Council of Ministers, and a visiting delegation of the State of Cambodia led by Say Chhum, Cambodian vice chairman of the Council of Ministers also coming here for the funeral.

The discussion dealt with the cooperation between the sides, and the search for the political solution to the Cambodia problem by peaceful and just means to meet the aspiration of the Cambodian people as well as of the peace-loving people over the world.

The meeting proceeded in an atmosphere of good understanding and frankness.

Leaders Greet Indian Counterparts on National Day

BK2601101691 Vientiane KPL in English 0913 GMT 26 Jan 91

[Text] Vientiane, Jan 26 (KPL)—Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, has sent a telegramme of greetings to His Excellency Mr. R. Venkataraman, president of the Republic of India.

The telegramme reads:

"On the occasion of the national day of the Republic of India, on behalf of the Government of the Lao People's Democratic Republic, the Lao people and on my own behalf, I would like to convey my sincere congratulations and best wishes to your excellency and through you to the government and the friendly people of India.

"I am convinced that the close relations and good cooperation existing between our two countries will be further developed and strengthened for mutual interest of our two countries and people's, for peace, stability in the region as well as in the world".

In his greetings to His Excellency Mr. Chandra Shekhar, prime minister of the Republic of India, Mr. Kaysone Phomvihan, chairman of the Lao Council of Ministers, said:

"I am convinced that under your leadership the existing friendly relations and good cooperation between our two countries will be further developed and strengthened for the mutual benefit of our two peoples and for peace in the region and in the world."

On the same occasion, Lao Foreign Minister Phoun Sipaseut, also sent his best wishes to his Indian counterpart, Mr. V. Shukla.

Indian Ambassador Hosts National Day Reception

BK2801120091 Vientiane KPL in English 0931 GMT 28 Jan 91

[Text] Vientiane, Jan 28 (KPL)—Mr. G.M. Jambholkar, ambassador of the Republic of India to Laos, on January 26 evening hosted at his residence a reception marking the 41st national day of his country.

Among Lao guests of honour attending the reception were vice chairman of the Council of Ministers and Minister of Foreign Affairs Phoun Sipaseut, and other senior officials.

Members of the diplomatic corps and of the international organisations in Laos also attended the function.

Greetings Messages From Bulgaria, DPRK, SRV

BK2501123591 Vientiane Domestic Service in Lao 1200 GMT 24 Jan 91

[Text] On the occasion of the 42d founding anniversary of our Lao People's Army [LPA], National Defense Minister General Khamtai Siphandon received greetings messages from Gen. Le Duc Anh, SRV national defense minister; Col. Gen. Yordan Mutafchiev, national defense minister of the People's Republic of Bulgaria; and O Chin-u, vice marshal and minister of the Korean People's Armed Forces.

The messages of the national defense chiefs of these countries extended warm congratulations to our national defense minister and, through him, to all cadres and combatants in the LPA. At the same time, they also wished that the multiethnic Lao people and the LPA win greater new victories in carrying out the glorious revolutionary cause and fulfilling the resolutions adopted by the Fourth Congress of the Lao People's Revolutionary Party.

Bulgarian General Greets LPA Founding Day

BK2501121291 Vientiane Domestic Service in Lao 0430 GMT 25 Jan 91

[Text] On the occasion of the 42d founding anniversary of the Lao People's Army [LPA], Lieutenant General Osakan Thammatheva, deputy minister of national defense and chief of the LPA General Political Department, received a congratulatory message from Maj. Gen. Iliev, chief of the General Political Department of the Bulgarian People's Armed Forces.

The message reads:

On the occasion of the 42d founding of the LPA on 20 January, on behalf of all cadres and combatants in the General Political Department of the Bulgarian People's Armed Forces, I would like to extend my congratulations and salutations to you and, through you, to all cadres and combatants in the LPA General Political Department.

I wish you great achievements in fulfilling your duties and in defending your beloved country.

I wish you and your leadership good health and successes in fulfilling your tasks and happiness on the occasion of the celebration of the LPA founding anniversary.

Hmong Families, 'Misled' People Start New Life

BK3001103891 Vientiane KPL in English 0912 GMT 30 Jan 91

[Text] Vientiane, Jan 30 (KPL)—31 more Hmong ethnic families at Thachao village, Kasi District, Vientiane Province, at the end of this month decided to settle down and take up wet rice cultivation on low land, ending their traditional slash-and-burn cultivation practice. To date, the figure of the number of the people who have turned their back to such an old practice [has increased] to 137 families.

Meanwhile, 90 misled people who reported themselves to local authority were allocated land to start their new life in the area of Natat. The Construction Company No. 2 of the Ministry of Agriculture and Forestry is assigned to clear land for the contruction of schools, hospitals, rice mills, and for rice fields.

Philippines

Bombs Defused at Voice of America Transmitter

HK3101103191 Hong Kong AFP in English 1022 GMT 31 Jan 91

[Excerpt] Manila, Jan 31 (AFP)—Police defused several improvised time bombs planted by communist insurgents by a U.S. Voice of America (VOA) radio transmitter in the Philippines before dawn Thursday, a military statement said.

The bombs were found in a VOA compound in the northern province of Tarlac just after local policemen clashed with guerrillas of the communist New People's Army (NPA).

The report said that policemen came across about 20 NPA guerillas near the VOA compound and engaged them in a brief gunbattle before the insurgents fled.

The police then searched the scene and found the bombs, inside 15 boxes, in the compound, just two minutes before they were set to explode.

While they were searching the area, the NPA guerrillas strafed the police detachment in an apparent attempt to divert the policemen from the search, the report said. It did not mention any casualties among the police or the NPA.

Netherlands-based leaders of the National Democratic Front, the political arm of the Philippine communist insurgency, have vowed to launch attacks on U.S. targets following President Corazon Aquino's statement of support for the U.S.-led war on Iraq. [passage omitted]

Police Detonate Bomb at VOA

HK3101132791 Manila Radio Veritas in Tagalog 1300 GMT 31 Jan 91

[Text] The Tarlac Philippine National Police [PNP] bomb disposal unit detonated a plastic bomb intended for the Voice of America [VOA] radio transmitter. It was discovered by the police after an encounter with New People's Army rebels who attempted to attack the VOA compound. The plastic bomb weighed 10 pounds and was discovered at 0200 today.

[Recording by PNP officer indistinct]

Gulf-Bound Japanese Planes Allowed To Refuel

OW3101095491 Tokyo KYODO in English 0941 GMT 31 Jan 91

[Text] Manila, Jan. 31 KYODO—Japanese Self-Defense Forces (SDF) military planes may land and refuel at any Philippine military facilities on their way to and from the Middle East to evacuate refugees from the Persian Gulf war, President Corazon Aquino's chief of staff said Thursday.

Executive Secretary Oscar Orbos told a foreign correspondents' association of the Philippines luncheon forum he "does not see any constraints to the use (by the SDF military planes) of our facilities here for certain purposes."

On Wednesday, Japanese Prime Minister Toshiki Kaifu said Asian nations victimized by Japanese atrocities during World War II will understand his plans to dispatch SDF planes to ferry refugees from the war-torn Middle East.

Orbos quashed apprehensions that Japan's decision to dispatch SDF military planes will revive fears here of Japanese militarist expansion. "I have more faith in what is present and what the future will be than in what the past has been," Orbos said.

The Philippines is one of the first Southeast Asian nations to permit the SDF military planes to fly over its airspace. However, Manila has consistently opposed Tokyo's plans to send noncombat SDF personnel to the Persian Gulf.

Japan is the Philippines' biggest source of aid and loans.

Aquino Disapproves Sending Troops to Gulf

HK3101065891 Manila THE MANILA CHRONICLE in English 31 Jan 91 p 1

[By Lito Zulueta]

[Text] President Aquino yesterday rejected a Senate proposal to send to Saudi Arabia a military engineering battalion that would serve with allied forces fighting to free Kuwait. "We are not prepared to deploy military personnel to the Middle East," Mrs. Aquino said in a statement.

She added that the deployment of a 270-man medical mission, now manning several Saudi hospitals, would continue to be the country's contribution to the efforts toward liberating Kuwait.

The proposal, contained in a consolidated resolution (SCR 47), seeks to deploy an engineering battalion to help enforce a United Nations resolution authorizing the use of force against Iraq, which continues to occupy Kuwait. Earlier, Alan Ortiz, deputy director general of the National Security Council, said the Senate proposal might not be feasible, since it calls for Saudi funding for the deployment of the engineering team.

"Considering the Saudis are engaged in a life-and-death struggle with Iraq...persuading them to foot the bill may be a little more difficult," Ortiz said.

He added that ground hostilities might break out anytime, and flights to and from the Kingdom would be cancelled. "How do you bring them in and out?" he asked.

At the House, Foreign Affairs Undersecretary Pablo Suarez told a joint hearing of the committees on labor and foreign relations that an undetermined number of Filipino workers were not working in communications and computer facilities "directly related to the war effort."

Suarez said the Saudi government had hired the workers, who are not enlisted in the Saudi Army, before the outbreak of the war.

Suarez added that there were no firm reports on the enlistment of Filipinos into the Saudi Army.

According to Suarez, foreign affairs offices in the Middle East had earlier issued an advisory warning Filipinos that they would automatically lose their citizenship once they join any foreign army.

Other Proposals Under Study

HK3101105791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Jan 91

[Text] Cabinet Cluster E, headed by Justice Secretary Franklin Drilon, together with other agencies designated by President Aquino, are studying other support the Philippine Government can give to the UN resolution regarding the ongoing events in the Middle East. Defense Secretary Fidel Ramos announced this following President Aquino's refusal to send an engineering battalion to the Middle East as per the proposal of some senators.

Ramos said that the government is evaluating the events in the Middle East and any action it may take would depend on the developments in the said region. Meanwhile, there are no changes in the government's contingency measures apart from what has been approved under Executive Order No. 444, in which local officials have been designated to work with the military to provide security in their respective areas as well as for important installations that may be sabotaged by terrorists.

[Ramos recording indistinct]

Filipino Muslims Change Stand

HK3101100991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Jan 91

[By Jennifer Postigo of Mobile Unit No. 18; italicized portions in English]

[Text] The Filipino Muslims stand on the Middle East war has changed. Bangsa Moro [Moro Homeland] leader Attorney Macapanton Abbas said that if Filipino Muslims supported the sanctions against Iraq and the UN resolution to attack Iraq after the 15 January deadline, they have now changed their position because the aim of the multinational forces, led by the United States, has also changed. In the Congress forum, Abbas emphasized that they are against the turn of events in the Gulf, in which the primary aim of U.S. President George Bush is to destory Iraq, and this is opposed to the earlier stand of the multinational forces to liberate Kuwait from Saddam Husayn. Abbas said this is not justified and is a violation of the UN provisions. Iraq continues to be a UN member.

[Begin Abbas recording] The same people who earlier demonstrated against Iraq's seizure of Kuwait have turned against the United States and the multinational forces because the United States is not abiding by the Security Council resolution which is *to let Iraq withraw from Kuwait, but to destroy Iraq and its people.* Most of the casualties are civilians. There was a communique yesterday between the USSR and the United States that they are willing to accept a ceasefire and hold a *discussion for the settlement of the Middle East issue, including Palestine.* The Pope, *his holiness the Pope, has said yesterday: this is an unjust war.* He means that what Bush is saying is not right. [end recording]

Muslims Against Sending Troops

HK3101105191 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Jan 91

[Text] A Muslim leader criticized Senator Ernesto Maceda and other senators for sponsoring a resolution that would authorize the sending of an army engineering battalion to Saudi Arabia to help the multinational coalition.

According to Sultan (Hadji Manjelen), president of the Muslim Christian Solidarity Party, and one of the presidential aspirants in 1992, said that any move to send a Philippine contingent to the Gulf will provoke trouble in the country.

[Begin (Manjelem) recording in English] The sending of military personnel to the Gulf is a provocation urging the other Muslim countries or the people who are not supporting the Philippines about the Gulf war. We should not [changes thought] I laud the action of the president that she is not willing to send. [sentence as heard] [end recording]

Troop Proposal in Perspective

HK3101081691 Manila THE MANILA CHRONICLE in English 31 Jan 91 p 4

[Editorial: "Philippine dilemma over the Gulf War"]

[Text] In two big wars following World War II, the Philippines sent troops as part of multinational forces mainly sponsored by the West. The first was the Philippine Expeditionary Force to Korea in the 1950s, a battalion combat team, and the second was the Philcag, a battalion of engineers, to Vietnam.

The contingent to Korea was part of the UN-sponsored police action to fight the North Korean invasion of South Korea. The bulk of the multinational force was provided by the U.S. and the force was composed of nations which formed America's alliance against international communist military actions. The Philcag was part of the U.S.-led alliance which intervened in Vietnam, not under UN mandate, but by virtue of U.S. security treaties with its Asian allies. The U.S. Vietnam intervention also had an anti-communist character.

In both cases, the troop intervention was a function of our foreign policy, which identified our national interests with those of the U.S. Now, a move is gaining for the Philippines to dispatch a non-combat force to the Gulf to join the multinational armies ranged against Iraq. As in the Korean war composed of nations which joined America's alliance against international communist military actions. The Philcag was part of the U.S.-led alliance which intervened in Vietnam, not under UN mandate, but by virtue of U.S. security treaties with its Asian allies. The U.S. Vietnam intervention also had an anti-communist character.

In both cases, the troop intervention was a function of our foreign policy, which identified our national interests with those of the U.S. Now, a move is gaining for the Philippines to dispatch a non-combat force to the Gulf to join the multinational armies ranged against Iraq. As in the Korean war, the multinational armies have been assembled under a UN mandate authorizing force in expelling Iraq from Kuwait.

Before we plunge into military involvement in the war, the above context must be considered. With the prospects of a long war growing, pressures are likely to increase on the Philippines to dispatch troops to the Gulf. In reality, after the evacuation of Filipino overseas workers in Kuwait and Iraq, the Philippines can be less inhibited in showing its true color in the war. Whether we like it or not, the country has moved closer to direct confrontation with Iraq by expelling its senior diplomat who was linked by the authorities to an Iraqi-sponsored terror campaign following the failed bombing of the Thomas Jefferson Library.

The expulsion elicited a prompt reaction from President Bush, who immediately sent a message to President Aquino applauding the expression of solidarity with the UN action in the Gulf. This is a hint that the U.S. was seeking deeper Philippine involvement than the dispatch of 300 doctors.

Historically, the pattern of our troop intervention in foreign wars is that it flows from UN mandate. But behind the veneer lies the consideration of tradeoffs. In our Vietnam intervention in particular, the tradeoff was U.S. aid for the expansion of the military infrastructure for civic action which former President Marcos had used to spearhead his infrastructure building program. that program had been the cutting edge of his campaign for reelection.

In the Gulf, the pragmatic considerations for military involvement are that (1) we are likely to receive more sympathetic consideration for economic aid; (2) we will be in a position to promote contracts for overseas workers and for participation in the post-war reconstructure; and (3) our troops can acquire first-hand military experience even if they are only an engineering contingent.

Foreign policy is carried out on both pragmatic and ideological levels. These should be the considerations that should determine our national interests. Whatever the decision, in war there is little advantage in taking halfway measures.

Gulf Workers Warned Against Joining War

HK3001100791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Jan 91

[Excerpt] The Department of Foreign Affairs [DFA] warned overseas workers that they will lose their Filipino citizenship if they join the ongoing war in the Gulf. The warning came from Foreign Affairs Under Secretary Pablo Suarez in relation to the House Committee on Foreign Affairs hearing he recently attended wherein the condition of overseas contract workers in the Middle East was discussed.

According to Suarez, the DFA has given an advisory to Filipinos in the Middle East to prevent them from participating or getting involved in the Gulf war if they want to keep their Filipino citizenship. In the hearing, Congresswoman Baby Puyat-Reyes announced that each Filipino is being offered $10,000 to join Baghdad or the forces of Saddam Husayn. This prompted the DFA to announce the precautionary measure they are taking for our countrymen who may be thinking of, or tempted into, accepting the offer from the forces of Saddam Husayn. [passage omitted]

Torres Denies Presence of 'Mercenaries' in Gulf

HK3101110191 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 31 Jan 91

[Text] Labor Secretary Ruben Torres denied reports that Filipino workers remaining in Iraq and Kuwait joined the Iraqi Armed Forces. Torres said there is no evidence that these Filipinos have enlisted as mercenaries in Saddam Husayn's army. According to the Overseas Workers Welfare Administration records, there were 50 workers in Iraq and 1,000 in Kuwait when the Gulf war broke out. Half a million Filipinos are in Saudi Arabia and they are believed to be safe.

New Iraqi Consul Appointed in Manila

HK3001155991 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Jan 91

[Text] The Iraqi Embassy in the country does not have any security protection from the Department of Foreign Affairs. This was disclosed by Ambassador Ali (Sumaida) after receiving many threats against their office.

Meanwhile, Consul General Muwafak al-'Ani, who was earlier declared persona non grata, has been replaced. He was implicated in the attempted bombing of Thomas Jefferson Library, thus the cause of his expulsion from the country. He was replaced by Consul Sabbah Sa'id.

Visa Restrictions for Some Arabs Recommended

HK3101024191 Manila Far East Broadcasting Company in Tagalog 0100 GMT 31 Jan 91

[Text] The Cabinet Committee on National Security and Political Affairs of the Department of Foreign Affairs [Cluster E] is recommending that the national policy restricting Iraqis, Palestinians, and Jordanians should be reinstated. Under that rule, all those nationals would have to apply for Philippine visas in their own countries and be subject to approval by the head office in Manila.

At the same time, the Cluster E committee also called for the implementation of the Bureau of Immigration and Deportation ruling cancelling the visas of five Iraqis who are in the recruitment business in the Philippines.

Bases Talks Reportedly To Resume in Feb

HK3101081291 Manila PHILIPPINES NEWSDAY in English 31 Jan 91 p 3

[By Arthur Bariuad and Jessica Domingo]

[Text] Foreign Affairs Secretary Raul Manglapus yesterday said that the fifth and final round of the bases talks will continue in Manila in February, despite threats of terrorist attacks by groups sympthetic to Iraqi president Saddam Hussayn.

At the same time, the head of a labor federation said that some 1,300 regular workers will be retrenched in march as a result of the phaseout of small American installations here and the failure of the government to map out alternative employment programs for the displaced workers.

Manglapus, the chief Philippine bases negotiator, said that the formal negotiations will resume "first part of February." He also said that the American panel had neither signified any further postponement of the negotiations nor a change of venue for the talks.

Manglapus' remarks came amid speculations that the final round of the Philippine-American Cooperation Talks (PAC) would be held in Washington, raising fears that a secret deal is being worked out and that the possible terrorist threats are only being used as an excuse for the transfer of formal discussions to the U.S. capital.

However, Manglapus stressed that "there will be no change in venue despite threats of terrorist attacks," when asked if such threats against the U.S. and its allies would hinder the holding here of the bases talks.

Manila, according to intelligence reports, is being used as a launching pad of the global terrorism aired by Iraqi President Saddam Husayn against member-nations of the U.S.-led allied forces. The U.S. military installations in the country, notably Clark Air Base and Subic Naval Base, which have been used by the U.S. as major air and naval resupply points before heading for the Persian gulf, were identified as possible targets of terrorist activities.

Both Filipino and American negotiators during the last round of the pact earlier this month have agreed to junk the January 31 deadline to reach a mutual consensus in view of the Gulf crisis.

Roberto Flores, president of the Federation of Filipino Civilian Employees Association, assailed Manglapus for agreeing to the unilateral removal of facilities smaller than bases in Subic and Clark even without a program for the employes who would be displaced.

Flores disclosed that the 1,300 workers who will lose their jobs will come from Camp John Hay, Wallace Air Station, and the Capas, Tarlac Naval Communication facility. "We were not consulted by the Philippine panel nor was assistance given to the employees," Flores said.

The pact next month will attempt to finally settle the long-stalled compensation issue. The Philippine panel has signified its intent to junk any "best efforts" pledge in favor of a more definite compensation package.

Another issue to be discussed is the criminal jurisdiction over erring American servicemen here. The Philippine panel had remained firm on its stand that Philippine laws must apply to all off-base and on-base offenses of U.S. military personnel. No mutual understanding on the matter have been reached. The U.S. panel has always said that the present system on criminal jurisdiction has been working well.

Rebels Reportedly Linked to Bank Robberies

HK3101080091 Manila BUSINESS WORLD in English 31 Jan 91 p 10

[Text] Former military personnel identified with the Reform the Armed Forces Movement [RAM] are allegedly supplying high-powered firearms to criminal syndicates involved in bank roberies in metro Manila, a senior official of the Philippine National Police [PNP] said yesterday. PNP Special Operations Groups of the Criminal Investigation Service senior superintendent Serafin Santos said arrested robbers have pointed to some military rebel leaders as the suppliers of guns and bullets for their criminal activities in the city. One of these rebel leaders was identified as a certain Capt. Victor Soria. He was discharged from the military service after his participation in the December 1989 coup attempt. one of the arrested bank robbers which the police identified as Edward Dumagat identified mr Soria as the source of high-powered guns used in robbing banks and intercepting armored vehicles for the last three months. The police alleged RAM supplied firearms in the following bank robberies; the December 19, 1990 P[Philippine Peso]5-million robbery of an armored van in Cubao; two P0.7-million robbery in MacArthur highway and near the Del Monte cockpit in Quezon City; an P0.8-million robbery near the Bulacan expressway; and the P2.5-million robbery along the Carmona toilgate in Laguna last August 1990. The military said it lost hundreds of highpowered guns and thousands of ammunitions during the December failed coup attempt. AFP inventory showed M-16, M-14, grenade launchers, pistols and other handguns were lost during the coup attempt and may have fallen into the hands of criminal syndicates involved in robberies in the metropolis.

PNP Planning Campaign Against Mindoro NPA

HK3101080691 Manila MANILA BULLETIN in English 31 Jan 91 pp 1, 14

[By Owen Masaganda]

[Text] Camp Vicente Lim, Laguna—Maj. Gen. Cesar P. Nazareno, Philippine National Police [PNP] director-general, yesterday ordered Brig. Gen. Evaristo G. Carino, Mindoro regional PNP director, to rid Mindoro Oriental and Mindoro Occidental of New People's Army [NPA] rebels in three months.

Nazareno arrived here with his staff officers and met with Cavite Gov. Juanito Remulla and retired colonel Romeo Ballesteros, representative of Laguna Gov. Felicisimo San Luis, and other top military officials on local peace and order problems.

The PNP chief said in his first visit here since the dissolution of the Philippine Constabulary and the Integrated national Police, which were replaced by the PNP, that as part of the contingency plans, he appealed to all labor groups for a moratorium on strikes during the Gulf war.

He said the task force on freedom and security is one of the five groups created by President Aquino after a dialogue on peace and national security before the start of the Gulf war last Jan. 17.

Nazareno said he is for labor strikes, "provided that the workers are in the right direction and do not violate any law."

He ordered all PNP officers and men not to interfere in disputes between labor and capital. "You should be 100 meters away from the picket lines unless trouble erupts. Laguna, Cavite, Quezon, Batangas, and Rizal are the sites of many factories, mostly financed by foreign nationals," he said.

Remulla told Nazareno that Cavite has 105 factories and so far, no strike has been reported.

"Laguna had the most strikes lasting at least six months. Others lasted more than a year. One of the biggest factories in San Pablo City closed down, affecting 3,200 workers. Strikes hamper economic growth," Nazareno said.

Carino said four PNP companies were sent to Mindoro Oriental and Mindoro Occidental and one company to Quezon to fight the NPAs.

He said the four PNP companies were pulled from Cavite, Marinduque, Batangas, Rizal, and Romblon.

Nazareno said PNP officers and men may use their present ranks and uniforms until the new PNP ranks and uniforms are ready. The staff officers who joined Nazareno were Brigadier Generale Manuel Roxas and Oscar Aquino, Colonels Honesto Bumanlag, Enrique Bulan, Fredick Romero, Raymundo Logan, and Alberto Astudillo, and Capt. Cesar Perez.

The five PNP provincial direjctors who attended the dialogue were Lt. Cols. Hercules Cataluna, Batangas; Rex Piad, Quezon; Virtus Gil, Laguna; Necitas Katigbak, Cavite, and M. Torres, Rizal.

Lt. Col. Conrado Briton, intelligence chief of Recom 4, briefed Nazareno and his staff officers, including Brig. Gen. Vicente Vinarao of the Philippine National Police Academy, and Brig. Gen. Jose Aquino.

Two NPA Rebels Sentenced to 144 Years

HK2801025791 Manila PHILIPPINES NEWSDAY in English 28 Jan 91 p 3

[By reporter Dario B. Agnote]

[Text] A regional trial court in Bohol sentenced two communist insurgents who took part in the slaying of eight non-combat soldiers in an ambush of military engineers on Bohol some three years ago, to 144 years of imprisonment each.

The Bohol Regional Trial Court Branch 11 convicted Ruel Ramirez and Rodrigo Samon for killing the eight soldiers who belonged to the 53rd Engineering Brigade in an ambush in September 1988.

The military said two other New People's Army (NPA) rebels—Lina Pagon and Florencio Ibanez—were also given lighter punishments for taking part in subversive activities in the province. Pagon and Ibanez were only charged with illegal possession of firearms and subversion. For this reason, Pagon was sentenced to a 12-year imprisonment term, while Ibanez was meted six months in jail.

The military said the four guerillas were leading cadres of the Central Visayas Regional Party Committee of the banned Communist Party of the Philippines (CPP).

Philippine National Police (PNP) Director-General Cesar Nazareno hailed the court's "unprecedented" decision, saying it was a "triumph of democracy in the country." "It is very hard to convict communist leades but the court has shown that justice would prevail at whatever cost," Nazareno said.

Nazareno said the decision handed down by Judge Daniel Bernaldez, prompted the PNP provincial director in bohol to file a total of 58 criminal cases against 86 communist leaders and known CPP-NPA members in the province.

Of the 86 alleged CPP-NPA leaders, Nazareno said at least 34 have already been arrested and detained in the Bohol provincial jail while the others are still at large.

Samon and Ramirez were reportedly among some 60 heavily-armed NPA guerillas who ambushed a convoy of the 53rd Engineering Brigade which was then on its way to a road project it was to construct in Pilar town in bohol in 1988.

In 1989, Ramirez was nabbed by the military after an encounter in sitio Caraan, Dagohoy, Pilar, while Samoa was arrested in Magsaysay in Sevilla town on November 1989.

Court Blocks Release of Communist Leader

HK2401033591 Manila THE MANILA CHRONICLE in English 24 Jan 91 p 9

[By Rico Rosario]

[Text] Suspected communist leader Carolina "Bobbie" Malay's bid to freedom was thwarted when Quezon City Regional Trial Court Judge Tirso Velasco yesterday invalidated a law which could have authorized her release.

Velasco said Letter of Instruction [LOI] 621, promulgated during martial law, could not be applied on Malay's case, because this directive had already been repealed by the 1987 Constitution.

LOI 621 provided that in instances where couples were both detained, the wife could be released for humanitarian reasons, specially if she had children to take care of.

Invoking the said presidential order, Regional Trial Court Judge Maximiano Asuncion ordered Malay's release from military custody where both Malay and husband Satur Ocampo are facing kidnapping charges.

Velasco said LOI 621 was promulgated as implementing guidelines for PD [Presidential Decree] 1081, which contained in part the declaration of martial law. The new Constitution carried with it the repeal of the said presidential decree and other laws and orders attached to it.

Velasco's decision came after three marathon hearings conducted within fifteen days. Government prosecutor Ismael Casabar did not object to Malay's plea for privileges of LOI 621. Velasco, however, gave another hope for Malay's freedom, that is, if the prosecution would agree to give her a chance to post bail.

This would be possible if the prosecution would acknowledge that their evidence against Malay was not strong enough to establish her guilt.

Yesterday, Casabar filed a motion that was a turnaround of their earlier position. He said their evidence was strong enough to warrant conviction.

Under the Constitution, capital offenses, including murder, may still be bailable if evidence of guilt are not strong.

Suspected Rebel Soldier Arrested in Bomb Attempt

HK3001031191 Manila MANILA BULLETIN in English 30 Jan 91 p 8

[By A. Ilagan and J. Lacuarta]

[Text] A suspected rebel soldier was arrested Monday by police operatives during a foiled bombing attempt on a police substation in Muntinlupa, it was disclosed yesterday.

In Camp Olivas, Pampanga, meanwhile, a suspected renegade military officer and his companions evaded arrest Monday during a raid by police and military operatives of a suspected hideout of the ultra-rightist soldiers in Pampanga.

Brig Gen Manuel F. Bruan, Philippine National Police (PNP) director for Central Luzon, identified the renegade military officer only as a certain Col Sanches and his two companions as Baby Terrul and Jose Domangcas, both former soldiers.

The raid was conducted by elements of Pampanga PNP led by Capt Arturo Cacdac and Capt Angelito Pacis. They were supported by the military operatives from the GHQ under Maj Victorio Tabangon and Maj Penaflor.

Communist Leader, Rowe Murder Suspect Captured

HK3001160191 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Jan 91

[Text] The Philippine National Police [PNP] captured a rebel communist leader believed to be implicated in the murder of ex-Local Governments Secretary Jaime Ferrer, and ex-Northern Police District Superintendent, Brigadier General Tomas Karingal.

[Begin Jim Delosano recording] It was reported to PNP Director General Cesar Nazareno, that CIS [Central Intelligence and Security] chief Superintendent Pantalion Dumlao has identified the captured NPA [New People's Army] as Virgilio Delfin alias Basil, Billy, Martin, Boyet, and Javier (Sambaon). The capture of Delfin happened while CIS agents were undertaking operations against car stealing syndicates. According to the records, Delfin is the vice commanding officer of the special operation section of the NPA general command. He has successfully evaded previous arrests because of his connections. Furthermore, he is also a primary suspect in the killing of Colonel James Rowe of JUSMAG and in a series of bank robberies in Metro Manila. Delfin is now detained in Camp Crame for tactical interrogation. [End recording]

Police Capture DPRK-Trained 'Communist Assassin'

HK3101081491 Manila THE MANILA CHRONICLE in English 31 Jan 91 pp 1, 6

[By Manny Mogato]

[Text] An alleged North Korean-trained communist assassin, who admitted taking part in a number of political killings, including that of former Local Government Secretary Jaime Ferrer in 1987, was captured by chance on Monday in Cubao, Quezon City.

Police said Virgilio Delfin, who was using several aliases like Basil, Bill, Martin, Boyet and Javier Sambajon, was arrested with a companion while driving a stolen Mitsubishi Lancer on P. Tuazon St. at 12:30 p.m.

An Armalite, a .9mm caliber machine pistol, magazines and bullets for M-16 and .9mm pistol were found inside Delfin's car.

Senior Superintendent Serafin Santos, head of the CIS (Central Intelligence Services) special operations group, said Delfin yielded a driver's license with the name Javier Sambajon of Tondo, while his companion gave an ID card bearing the name Ricardo Ponce of Sampalac, Manila.

At Camp Crame, intelligence agents unmasked Sambajon as Delfin, while his companion was identified as Ricardo Bulaklak. Delfin, according to the intelligence report, is the vice commanding officer of the Edgar Jopson Brigade, the special operations group of the New People's Army General Command (N-3). Delfin, the report added, was also among the 11 guerrillas who underwent guerrilla and warfare training in Pyongyang, North Korea from September 1987 to November 1988.

He also took part in a number of terrorist attacks against American and other foreign targets in the country, including the killing of U.S. Army Col. James Rowe in May 1989 in Quezon City.

During tactical interrogation, he admitted being the "trigger man" in the 1987 killing of Ferrer, a staunch anti-communist. His participation in the Ferrer killing qualified him for military training in North Korea, he said in a statement to military investigators. Delfin also said the military training in North Korea was facilitated by the Japanese Red Army (JRA), which provided them with fake travel documents and funds.

Sanots said Delfin had also confessed to participating in the killing of Police Brig. Gen. Tomas Karingal in Quezon City in 1985.

Delfin's special operations section also took part in the kidnapping of Japanese executive Noboyuki Wakaoji in Laguna.

Central Bank Introduces Foreign Exchange Reforms

HK2801035591 Manila BUSINESS WORLD in English 28 Jan 91 pp 1, 5

[By reporter Reuben V. Lim and Ma Gertrudes M. Chavez]

[Text] The Central Bank [CB] will be introducing further reforms to rationalize trading and supply of foreign exchange, as well as eliminate downward pressure on the peso from the curb market.

Per the country's memorandum on economic policy (MEP) to be sent this month to the International Monetary Fund (IMF), the finance department said "the CB is studying options for reform of the exchange market to eliminate the existing market segmentation and to improve its efficiency."

Possible measures stated under the MEP, which embodies the proposed economic program the country is to follow in exchange for a new IMF credit package, are: the reopening of off-floor trading between the banks to deepen the market; the authorization of other agents to participate in the forex market; and revisions in monitoring and reporting systems to ensure transparency and appropriate conduct of market participants.

Two New Circulars

The CB's reform program was kicked off last Friday by the passage of two new circulars. The first one eliminated the limits set last year on the banks' forex buying and selling rates. The other, to take effect March 1, will set "prudential limits" to the amount of forex inventories that banks may keep in excess of their forex liabilities.

On the other hand, the second CB circular gives banks the leeway to keep enough forex to cover all their letters of credit (L/C) openings based on a three-month moving average.

The CB chief did not define "prudential limits." He said this is still under study. But he hinted that the final ratio would certainly not be the levels being held normally. He emphasized that banks will have one month to correct their forex positions.

Sale of Excess

The still unnumbered circular means that banks with forex assets which exceed their forex liabilities over a prescribed ceiling are required to sell the excess to any of their clients, to the forex market, or to the CB.

The CB chief further noted that the circular is not the same as that issued in 1983 where banks were required to surrender their dollars to the CB.

Banks would then have to maintain generally balanced forex positions in their operations. This is seen to benefit smaller banks with inadequate dollar reserves, but would be a bane, apparently, to big commercial banks which have anchored their profitability on their huge forex positions.

But Mr Cuisia clarified that the banks may maintain a sufficient amount for working capital such as those to be used for the opening of letters of credit (LCs). This includes holding reasonable working balances to cover their contingent liabilities to the extent of 100% of their average negotiated LCs for the immediately preceding three months.

Authority for issuing these circulars, Mr Cusia pointed out, is Section 81 of the CB charter, referring to the bank's regulatory powers. The same provision also empowers the CB to impose sanctions on those banks found violating the first circular.

Scarce Dollars?

The issuance of the circular, which is seen to make some banks unlock their forex holdings, seems to belie the CB's pronouncements that there are sufficient dollars in the financial system.

Mr Cuisia stands by his earlier stance that there is no scarcity of foreign exchange, but he admitted that the forex market is "not balanced." He added that there may be an undue accumulation of forex by some banks to the disadvantage of the smaller financial institutions.

There may still be refinement's to the circular since members of the Bankers Association of the Philippines [BAP] are divided on the issue, Mr Cuisia said.

In the MEP, Government said the imposition of limits based on the official rate on the banks' buying and selling rates was one of several measures to deflect speculative attack on the peso.

The deteriotation in the country's balance of payments position plus the advent of the Gulf crisis last August caused the peso [P] to decline to P25.75 per dollar by last September, from P22.40 to $1 at the start of last year.

The CB tried to stabilize the peso via intervention at the BAP floor, but was hard-pressed to do so as expectations of an impending depreciation fuelled a surge in both imports and speculation.

With certain commercial banks (KB)—the only entities now allowed to trade in forex—charging exorbitant spreads on forex transactions, the CB clamped down by imposing the rate limits.

The CB's substantial depreciation of the peso on Oct 31 signicantly improved the country's external position, and was hoped to have killed speculative attack.

However, importers complained they were still not being given their necessary forex allotments, and claimed that some KBs were holding onto their forex instead of unloading these.

For their part, the banks claimed a slow down in forex receipts and a soaring of demands for crude imports, which necessitated the imposition of cutbacks on forex sales to importers by 20%.

But in a move apparently aimed at reducing some banks' penchant to hoard forex in hopes of amassing revaluation gains, the impending CB circular reducing the KBs' forex inventories will mean a significant drop in the latter's incomes.

To make up for the loss in revaluation income, the KBs would thus need to have a faster turn around time on forex. By doing so, these would be able to book more transactions and thus boost freebased income from international trade.

Negative Side

But on the negative side, a cut in bank incomes may erode the KBs' ability to adequately service the banking public, since these claim that their return on assets are at barely nominal levels.

If instituted, the CB's proposed measures to broaden forex trading would hopefully lead to a more market-oriented rate, the setting of which has been affected by forex speculation and the CB's own intervention to prop up the peso.

In particular, the CB will have to crack down more stringently on banks which refuse to unload their required amount of forex. Even at the BAP oil pit, where the banks are rigidly required to sell 20% of their disposable forex to the oil firms, BAP officials admit there are erring banks.

On the other hand, the removal of limits on forex buying and selling rates may not necessarily lead to the peso's depreciation, what with the CB pledging to keep the official rate steady through direct intervention.

Also, a significant drop in imports due to the ongoing economic slowdown has reduced pressure on the system's forex holdings.

DTI Sets Lower Export, Investment Targets

HK2401031391 Manila BUSINESS WORLD in English 24 Jan 91 p 10

[By reporter Ma. Liza A. Solano]

[Text] The Department of Trade and Industry [DT has set more realistic export and investment projections.

Acting Trade and Industry Secretary Peter D. Garrucho Jr. told reporters yesterday that the DTI has downscaled its 1991 projections for export to a high of $8.9 billion and a low of $8.2 billion. The likely level this year, he said, is $8.5 billion.

The target previously set by Mr. Garrucho's predecessor, Jose S. Concepcion Jr., was $10.8 billion, higher by 33.3% than actual sales of $8.1 billion last year. The low scenario placed sales at $8.9 billion for 1991.

The new estimates for investments are even lower than the value of P108 billion in projects registered with the Board of Investments [BOI] last year. Investments are projected to reach P[Philippine peso]85 billion only this year and P100 billion in 1992. The previous targets were P100 billion for 1991 and P140 billion for 1992.

Qutong preliminary figures of the National Economic and Development Authority [NEDA], DTI projected industry growth at negative 0.2% in 1991 and a positive 3.5% in 1992. Previous estimates were 1.8% and 2.4%.

Gulf War

Targets for the year were downscaled because of the war in the Middle East, high cost of petroleum products, high cost of money, shortage of foreign exchange, weaker local and global markets, and the disenchantment of businessmen over smuggling and delayed credits for incentives.

On the investment side, Mr. Garrucho said the decision of USI Far East to pull out its petrochemical complex project in the country was a setback for the Government's investment promotion efforts.

The Taiwan-based firm withdrew its project after undergoing a series of inquiries from Congress on its transfer of plant site from Bataan to Batangas and of its change of feedstock from naphtha only to naphtha or LPG [Liquified Petroleum Gas], or both, and on the loans it obtained for the project. He also said some investment missions from abroad may be postponed this year. He noted that travel has been affected by tension in the Gulf as headquarters of companies around the world required their people not to leave home base. he added that some firms have also taken a "wait-and-see attitude" toward investments.

Positive Developments

On the other hand, Mr. Garrucho pointed out that there are positive developments that may boost exports and investments. These are the inflow of foreign credits and official development assistance as a result of the impending approval by the International Monetary Fund of a $700 million package and the pledging session for the Philippine Aid Plan in February; better rural incomes due to the expected growth in agriculture; and higher consumption expenditures arising from infrastructure spending.

Authorities Prepare for Talks With Creditor Banks

HK2301064591 Manila BUSINESS WORLD in English 23 Jan 91 p 11

[By reporter Ma. Gertrudes M. Chavez]

[Text] Monetary authorities are set to meet with commercial creditors on February 7 or 8 in New York to discuss prospects of extending a new financial package—possibly in the form of new money and debt relief.

Finance Secretary Jesus P. Estanislao yesterday said the U.S. Treasury has given him assurances that foreign creditor banks will look upon the Philippines "with consideration."

He will leave on January 29 for Tokyo to drum up support for the Philippine Aid Plan.

On the other hand, Central Bank Governor Jose L. Cuisia, Jr. said that one of the items to be discussed with the 12-member bank advisory committee chaired by Manufacturers Hanover Trust would be the release of the third tranche equivalent to $115 million of the $713 million in fresh loans agreed in February last year.

This tranche was supposed to have been released last year but was deferred because Government failed to meet the original program set by the International Monetary Fund.

Another issue to be discussed will be the renewal of the $3- billion trade credit facility which is set to expire this June. This trade facility was set up a few years ago to assist local manufacturers in financing their imports.

Mr. Cuisia also said one sticky item on the agenda is the so-called "fungibility" issue which is basically the use for debt buy-back of official credits originally reserved for debt service reduction.

To recall, Government was able to obtain some $1.3 billion from the International Monetary Fund, World Bank, and the Japan Export- Import bank for the country's debt service payments.

Governments was able to use part of those funds to buy Philippine debt papers worth $1.3 billion, disbursing about $650 million at a 50% discount. Consequently, Japanese and American banks liquidated a total of $977.77 million of their loan exposure in the Philippines.

Specially, Japanese banks sold some $531.7 million worth of debt papers to the Philippines; American banks, $446 million; British banks, $102.29 million; German banks, $64.28 million; and Hong Kong financial institutions, $50.72 million.

Mr. Cuisia earlier said the country's core creditors are "open" to the "fungibility" issue, giving the Philippines the flexibility to respond to market reaction to its planned debt initiative.

Although Government will try to get as much fresh loans as it can, Mr. Estanislao has already indicated this would be a very difficult task. He pointed to economic difficulties being experienced by foreign banks, which allegedly have been increasing their reserves for possible loan losses.

Senators Threaten To Block IMF Program

HK3101081091 Manila THE MANILA CHRONICLE in English 31 Jan 91 p 7

[By Johanna Son]

[Text] Senate President Jovito Salonga warned yesterday that the chamber would sit on legislation promised in the International Monetary Fund (IMF) scheme, unless the Executive makes public a copy of the "economic stabilization plan." In an interview, Salonga echoed concerns raised by other senators that they had not been furnished copies of the actual program, due for signing any time now.

Asked what the Senate could do to ensure that the document is released to the public, Salonga said: "We can refuse to enact implementing legislation."

The program enjoins Congress to pass "permanent revenue-raising measures" to increase revenue, refine existing taxes, pass a P[Philippine Peso]5.1-billion oil subsidy bill, and a new tariff code.

Senators were briefed by Finance Secretary Jesus Estanislao and Central Bank [CB] Governor Jose Cuisia last week but were not given copies of the actual document.

They distributed copies of a two-page Letter of Intent [LOI], which is the cover letter of the memorandum of the Philippine Economic Stabilization Plan [ESP]—but not the ESP itself. Instead, senators were given Estanislao's four-page memo to President Aquino on the ESP's highlights prepared by Estanislao.

Yesterday, senators' objections to the IMF program snowballed, signalling a rejection of President Aquino's call for Congress to do its part in supporting the scheme.

In a privilege speech, Sen. Joseph Estrada accused Estanislao and Cuisia of "treason of the highest order" in agreeing to an onerous program and then hiding the document from the public.

He called Estanislao a "charming bitchy (sic)" for deceiving the senators and the public.

Sen. Wigberto Tanada filed a resolution calling for an inquiry into the "adverse" impact of a 9% import levy imposed by government, which is a condition found in the IMF program. He said some imported items, such as fertilizer, ought to be exempted from the steep levy.

Salonga quoted Estanislao and Cuisia as saying that some details of the program could not be publicized because they involved sensitive information. Among these are banks reserve requirements, net international reserves, money supply and interest rates, whose premature disclosure, Cuisia said, would telegraph government's moves to the banks.

"The unkindest cut of all is the fact that until now they (Executive) have not made public and continue to hide the contents of the LOI and its consequent effects," Estrada argued.

"I consider this as treason in the highest order because of negotiating for our people, they (Estanislao and Cuisia) are selling our country," Estrada added. Proposing that the Senate pass a resolution demanding a copy of the document, Estrada said: "The present government has lost is credibility."

The committee on economic affairs, led by Sen. Vicente Paterno, will look into Estrada's proposal when it opens an inquiry into the economic program's contents in February.

The same panel, together with the committee on ways and means, will study the 9% import levey and propose items to be exempted from it.

Previously, Senators Alberto Romulo and Teofisto Guingona Jr. had also called for the publication of the economic program, which will be sent to the IMF board for approval.

The economic program, among other things, commits the Philippines to keep current oil price levels to maintain the ceiling of the Oil Price Stabilization Fund at P11.8 billion, cut expenditures by P23 billion, lower interest rates and inflation.

Board Reports 1990 Exports Exceed Target

HK2301042791 Manila BUSINESS WORLD in English 23 Jan 91 pp 1, 6

[Text] The total amount of investments approved by Government for the whole of 1990 amounted to P

[Philippine peso] 108 billion, about 69% of which or P74.5 billion went to the countryside. Actual exports in 1990 reached $8.15 billion, slightly in excess of the P8.10-billion target for the year, the Board of Investments (BoI) reported to senators yesterday.

Trade and Industry Secretary Peter Garrucho told the Senate committee on finace, investments growth in the countryside averaged 262% over the last five years. He attributed this growth to some 1,700 people's economic councils (PEC) nationwide, a mechanism for people's participation on investment, and the creation of Phils., Inc., where 11 major industry sectors participate in development planning.

From 1986 to 1990, investments approved by the BoI reached P227 million (actual project cost of BoI approvals), 69% of which went to the countryside, broken down as follows: manufacturing, P127.9 billion or 56.2% of the total; energy-related projects, P26.1 billion or 115.%; tourism projects, P19.2 billion, 8.4%; mining; P16.6 billion, 7.3% and agriculture and fishing, P10.7 billion, 4.7%.

Topping the manufacturing sector are textiles and wearing apparel, P36.6 billion; construction and housing, P19.9 billion; electronic products, P18.6 billion; industrial chemicals, P8.6 billion; and vehicle development program, P7.9 billion.

Exports on the other hand, reached $8.15 billion as of yearend, with transitional exports accounting for the bulk (84.7% as of Oct.'90). For the first 10 months of last year, electronics led the country's exports with U.S.$1.612 billion; garments, $1.308 billion; fresh and processed food, $904 billion; resource-based, $854 billion; metals, $380 billion; gifts/toys, $297 billion.

The U.S. is still the country's top importer, accounting for $2.569 billion or 38.1% of the total, followed by Japan with $1.333 billion or 19.8% of the total. Germany ranked third with $311 million worth of imports from the Philippines and the Netherlands fourth with $293 billion.

For next year, the DTI [Department of Trade and Industry] is targetting a high of $10.8 billion in exports to a low of $8.9 billion. For investment, DTI is aiming at P100 billion.

1991 Budget 'May Be Cut Further'

HK3101082591 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 31 Jan 91

[Text] The 1991 budget may be cut further if necessary. President Aquino announced this in reaction to some legislators proposal to further trim down the budget for the current year. Nonetheless, the president said that Malacanang will wait for the Senate's decision regarding the 269.1 billion pesos 1991 budget, which was approved earlier by the lower house.

Earlier, Malacanang and Congress agreed to cut down government expenses up to 25 billion pesos, in pursuance to the Economic Stability Program (ESP), which was submitted to the International Monetary Fund (IMF). Furthermore, the agreement calls for an increase in government revenues.

Malacanang officials announced that the president has forwarded her proposed budgetary cut, which is said to be 'a real pain in the bones.'

NEDA Approves 5 More Development Projects

HK2501051091 Manila MANILA BULLETIN in English 25 Jan 91 p 1

[Text] The National Economic and Development Authority (NEDA) board headed by President Aquino has approved five more development projects with a total cost of P [Philippine peso] 2.65 billion and road improvement package costing $205 million.

The projects were endorsed earlier by the board's Investment Coordination Committee (ICC).

The largest among the projects is the P1.62-billion small barge- mounted and land-based diesel power project. The project will fund the acquisition of 12 small diesel power barges of different capacities to provide for the power needs of Palawan, Mindoro Occidental, Mindoro Oriental, Catanduanes, Cebu, Basilan, Surigao del Norte and Zamboanga.

Also under the project, funding for the acquisition of three 1.5 megawatt (MW) land-based diesel generators for Jolo, Sulu will be provided, bringing to 64.5 MW a total power generation capacity to be installed in various remote areas in the country.

The NEDA board also approved the Department of Public Work and Highways (DPWH) project for bridge reconstruction along secondary roads. The P349.7 million project, to start in January, will involve the replacement of 13 temporary bridges in rural areas, including four bridges demanded by the July 1990 earthquake.

The board, likewise, gave the go-signal for the acquisition by Philippine Airlines (PAL) of a Boeing 737-300 full flight simulator, along with initial simulation and maintenance training. This P305.16-million project will upgrade PAL's capability to provide flight traning for its pilots.

Two more projects costing less than $10 million were approved. These area the P163.75-million enhancement of meteorological delivery system to the countryside, and the P206.36-million expanded information communication system project of the Department of Education, Culture and Sports (DECS).

Also approved was the proposed fifth road improvement package to be assisted by the ASIAN DEVELOPMENT BANK [ADB]. The project involves the reconstruction and improvement of existing national and rural bridges in 17 provinces.

The road improement package worth $205.2 million will be financed by a new loan of $150 million from the ADB. The government will shoulder 27 percent or $55.2 million of the total project cost.

The package consists of three components. First, the road improement component, covering reconstrution and improvement of 420 kilometers of national roads in eight provinces. Another 440 kms. of rural roads, including 1,099 lineal meters of bridges, in 12 provinces, are also included. This component is estimated to use up to 70 percent or $143.6 million of the total project cost.

The second is the maintenance component of about 200 km. of national roads in Luzon and another 400 km. of rural roads nationwide. The cost of this segment is $35.8 million.

The third component is consultancy service.

Drought Damages Crops in Five Provinces

HK2401035391 Manila PHILIPPINES NEWSDAY in English 24 Jan 91 p 3

[By Rose de la Cruz]

[Text] The Department of Agriculture [DA] said yesterday that at least five provinces are in need of financial aid because of the destruction on crops caused by the current dry spell.

Those provinces are Bukidnon, Zamboanga del Sur, Lanao del Sur, Maguindanao and Iloilo. Other provinces have also reported losses due to the dry spell but DA officials still deem them "insignificant" to be declared as calamity areas.

In the drought situationer No. 4 (as of Jan. 17) released by the department, it was reported that some 50,188 hectares of corn areas have already been hit by the dry spell. Another 44,583 hectares of rice areas were also damaged.

Agriculture Secretary Senen Bacani said he has recommended those provinces for coverage in the calamity areas for 1991 to be decided by President Aquino through the National Disaster Coordinating Council.

Earlier, the weather bureau predicted that the dry spell, which started early December, would intensify into a drought, specifically for the months of April to June because of the existing sub-normal rainfall levels in most parts of the country and the current high atmospheric pressure, which leads to high evaporation rates of the rivers and other bodies of water.

The DA said that of the 50,188 hectares of corn areas already affected by the drought, 17,994 hectares are considered totally damaged. Estimated value of losses to corn crops was placed at P [Philippine peso] 257.1 million with Bukidnon having been the hardest hit.

Total rice areas affected by the drought has already been placed at 44,583 hectares of which 5,419 hectares are considered totally damaged. Estimated total loss is 20,000 tons, with Iloilo suffering the highest toll.

But Bacani said despite the drought, the department has not yet made up its mind on rice importations. "In fact," he said, "we have not started any negotiations yet."

He reported, however, that the department has a standby commitment from the United States for some 300,000 tons of rice through its food commodity program or Public Law 480. "We have not yet told them that we need it at all. But we will be doing so once we have reached a decision, which would come within the next two weeks, or after the month's report on the drought damage has been given."

As for corn, he said, "we have decided we are not going to corn at all, no matter what happens. [sentence as published] We still have enough stocks to last us for our total requirements."

Bacani also said there are numerous countries that have committed to supply the Philippines with rice in case the need arises. For one, he said, "we still have the rice commitment from Vietnam which we have not yet brought in. This is about 123,000 tons."

Officials Fear Spread of Drought

HK2901064291 Manila THE MANILA CHRONICLE in English 29 Jan 91 p 3

[By staff member Elizabeth Perez]

[Text] Agriculture department officials fear that the dry spell now afflicting most of the Visayas and Mindanao may be spreading up north to the Cagayan Valley.

Meanwhile, "below normal" rainfall is also being blamed for the drop in the water levels of the major dams in Luzon, some of which provide the potable water supply for Metro Manila.

Agriculture Undersecretary Apolonio Bautista said they had received an urgent request for immediate cloud-seeding operations in northern Isabela and southern Cagayan in Region 2 where corn and rice fields are being threatened by a nine-week dry spell.

Bautista said that for the past two weeks, Region 2 has been receiving only 42% of its normal rainfall requirements, seriously affecting nine towns in the two provinces.

These towns are Penablanca, Tuguegarao, Solano, Enrile and Sta. Maria in Cagayan and Kabagan, San Pablo, Tumauini and Delfin Albano in Isabela, he said, citing a report from Region 2 director Gumersindo Lasam.

Bautista said a DC-3 plane will be dispatched for cloud-seeding operations in response to the request of Region 2 officials.

The Philippine Atmospheric, Geophysical and Astronomical Services Administration (Pagasa) has predicted that the current dry spell will most likely persist until June and will affect about 75% of the country's total land area.

In its latest report, Pagasa said that Panay Island has been receiving only 16% of its normal monthly rainfall requirements and the Visayas and Mindanao only 40%.

Visayas, according to Pagasa, has a monthly rainfall requirement of 80 to 250 mm and Mindanao about 70 to 200 mm.

The dry spell, which started last December, has so far damaged about P [Philippine Peso] 369.9-million worth of crops in at least 13 provinces in the Visayas and Mindanao, the agriculture department said.

In a related development, the Metropolitan Waterworks and Sewerage System (MWSS) said the dry spell has adversely affected the water levels of dams supplying potable water for the metropolis.

For instance, the water level at La Mesa dam, which supplies 7% of Metro Manila's water needs, dropped yesterday to 70.34 m or 0.66 m below the critical mark of 71 m, MWSS reported.

Similarly, it added, the water level at Angat dam, which supplies 76% of Metro's water needs, decreased by 0.55 m in the last five days, or from 212.84 m to 212.29 m. But this is still 32.29 m above the critical mark of 180 m, MWSS said.

Ipo dam, which accounts for 14% of the metropolis' water supply, however, was reported full at 101 m.

MWSS Administrator Luis Sison reduced by 5

Thursday Metro Manila's water supply to minimize the adverse effects of a possible drought.

The reduction is effected every night from 11 p.m. to 4 a.m. when water usage is relatively low.

Still, Metro Manila residents have been complaining of little or no water supply lasting from 12 hours to an entire day in most areas being serviced by the agency, the MWSS action center said.

MWSS spokesman Bert Ramirez said that low water pressure was probably being experienced by these areas because they are far from major water pipelines or are located in high places.

Thailand

Ministry Rebukes Embassy in Riyadh on Camp Notice

BK3101034991 Bangkok BANGKOK POST in English 31 Jan 91 p 3

[Text] The Thai Embassy in Riyadh was rebuked yesterday by the Interior Ministry for sending a notice to the Thai labour office saying all camps housing Thai workers in Saudi Arabia would be closed down by today.

An Interior Ministry source told the BANGKOK POST that the Labour Department yesterday received a cable from its officials in Riyadh saying they were notified by the Thai Embassy a few days ago that all the reception camps for Thai workers in Riyadh, Hofuk, Jeddah and Buraida would have to be closed down by the end of January.

About 3,500 Thai workers are seeking refuge in and near the four camps.

The embassy, according to the cable, claimed that the gathering of Thai workers at the camps was against Saudi law. The message shocked senior labour officials, the source said, adding that Deputy Interior Minister Vatana Asavahame, who is in charge of labour affairs, was immediately informed.

The source said Prime Minister Cahtchai Chunhawan appeared upset when told of the message by Mr Watana and immediately sought clarification from the Foreign Ministry.

The Premier, the source said, was concerned that the sudden closure of the camps would leave Thai workers without safe shelter with the Gulf war accelerating and the continued threat from Iraqi missiles. Senior Foreign Ministry officials, led by Ambassador Kopsak Chuthikun, were sent to meet Mr Vatana and clarify the situation. Mr Kopsak said there was a misunderstanding between the Thai Embassy and the Thai labour office in Riyadh.

Mr Watana later told reporters that the camps would remain open to shelter Thai workers. He added that they would be closed once hostilities ended.

Meanwhile, Thai counsellor in Riyadh Phongphan Phromkhantikaeo yesterday dismissed as unfounded reports that the Thai Embassy wanted the camps closed down.

In a long-distance telephone interview, he said that, on the contrary, Saudi officials had been very helpful when the camps were opened earlier this month to house Thai workers. He said that about 100 Thai workers who had taken refuge in Riyadh were held in the custody of Saudi immigration police in the Saudi capital for not having ID cards or travel permits from their employers.

Thai labour officials, he said, were seeking their release and internment in camps.

An informed source in Riyadh said most shops in the capital were closing earlier at night. Their owners and other residents travelled about 50 km out of the city to seek shelter each night and returned the next morning.

Iraqis Linked to Planned 'Terror Campaign'

BK3101040391 Bangkok BANGKOK POST in English 31 Jan 91 p 3

[All Arabic names as published]

[Text] Information from two Bangkok-based Iraqi intelligence agents led to the January 19 terrorist alert, security sources said yesterday. The two diplomats were said to have identified others involved in a plan for violence before they left for Baghdad via Malaysia.

The soures claimed that five men now under detention at the Immigration Police Division lockup were fingered as part of the terrorist plot by the Iraqi diplomats, third secretary Salim M. Nahi Al-jibouri and assistant trade attached Muzir Darie Razoki.

Mr Al-jibouri and Mr Razoki reportedly told interrogators they were members of Mukhabarat, the Iraqi intelligence agency, the sources said. They were also alleged to have implicated other Iraqi embassy staff members in plans for a terror campaign in Bangkok.

Information provided by the two men was the basis of a "credible report" of possible terror attacks issued by the US Government, the sources said.

On a specific list of possible targets for terrorism were four Bangkok embassies, several hotels, and a number of restaurants and nightspots popular with Western residents and vistors.

Thai police have cooperated from the beginning of the investigation with foreign security agencies, and were instrumental in helping crack the Mukhabarat ring, the sources said.

Mr Razoki, 32, who arrived at the Pradipat Road embassy only last October 29 on a passport issued eight days previously, reportedly told authorities he was the son of the vice-president of Iraq. He is a career intelligence officer who security sources claimed was expelled from the United States last August.

He and Mr Al-jibouri, 31, were in charge of distributing "a large quantity of munitions and weapons" from Mr Razoki's home in mid-January, the sources alleged.

They claimed Mr Al-jibouri also had made one known, unsuccessful, attempt to recruit a Thai citizen to spy on an unknown third country.

Mr Al-jibouri, who worked under Mr Razoki's direction, is believed to head a previously unknown terrorist group called Palestinian Commandos. This group was assigned specifically to conduct terror in Bangkok, the sources claimed, quoting interrogators of the two men.

While the two Iraqi diplomats were allowed to transit Kuala Lumpur for several days before leaving for home, the non-diplomats arrested in the case were not so lucky. Malaysian authorities refused to admit them, and they have been placed in detention at the Immigration Department.

Iraqis Muhammad Ali and Mahmood Muhammad, Jordanian Radi Shammari and another man all were detained by Thai authorities in connection with the terrorist investigation. Also in the Immigration lockup is Nahed Al Warfelly alias Willam James Wardle, 44, an Iraqi who carries a British passport.

Muslim Group Calls for Anti-U.S. Protests

BK3101032591 Bangkok BANGKOK POST in English 31 Jan 91 p 3

[Excerpts] Pattani—A radical Muslim group has distributed leaflets to Muslim leaders here urging them to rise and protest against the United States which it said is waging war with the intention of demolishing Iraq.

Sources said the group, comprising young Muslim radicals in Yala, called itself the "Unity of the People in South Thailand Group."

It is launching a campaign to persuade people in the Muslim-dominated southern provinces to demonstrate against war and the US.

The one-page leaflet, written in Thai, said the war in the Persian Gulf is being conducted by a superpower that wants to demolish Iraq, to create rifts among Muslim countries in the Middle East and to protect Israel, which it described as "the enemy of Muslims all over the world".

The leaflet called on Muslim people to pray for Iraq which it said is fighting against infidels. [passage omitted]

In Yala, authorities at all levels have been instructed to explain to the people that the Gulf war is not a holy war but broke out because of conflicts of interest among Iraq, Kuwait and Saudi Arabia.

Security has been stepped up in Yala, Pattani and Narathiwat. Police dogs have been used in patrols. [passage omitted]

Official Views U.S. Ambassador's Transfer

BK3101112691 Bangkok Voice of Free Asia in Thai 1030 GMT 31 Jan 91

[Text] Deputy Foreign Minister Charat Phuachuai, referring to remarks that U.S. Ambassador Daniel O'Donohue is being transferred because the Thai Government is dissatisfied with his performance, particularly over the U.S. Information Service's warning about a terrorist threat in Thailand, said there is no truth to this. He said the transfer marks a rotation, pointing out that U.S. ambassadors are rotated regularly and that there will be a replacement for the ambassador who has been transferred. Charat assured that there are no other reasons for the transfer.

Thai Muslims Attitude Toward Gulf War Viewed

BK3101063391 Bangkok BANGKOK POST in English 31 Jan 91 p 4

[By Disathat Kotchanalak]

[Text] With increasing pro-Iraq sentiment among Thai Muslims and a wary attitude among authorities amid reports of possible terrorist attacks in the country, the Persian Gulf war may rekindle long-standing feelings of discontent among the religious minority.

Some of its leaders have already been vocal in their support for Iraq, which has borne the brunt of heavy air attacks by allied forces since the Gulf war erupted on January 17.

Thailand supports United Nations resolutions which authorise the US-led multinational troops to use force in evicting the Iraqi occupation army from Kuwait.

On Sunday, about 300 representatives of Muslim organisations and communities in Bangkok and nearby provinces gathered in Klong Tan to pray for victory of Islam in the Gulf, with some leaders speaking in support of Iraqi President Saddam Husayn. Some leaders claimed the majority of Thai Muslims had taken a stand on the Gulf war, regarding it as a jihad or holy war in which Muslims were being attacked by Western powers. Their position contrasts that taken by the Muslim spiritual leader, Chula Rajmontri Prasert Mohamet, who has said the Gulf hostilities did not constitute a holy war because the motivation was political.

Whether these differing views will develop into an open rift remains to be seen. But with the active involvement of non-Muslim forces in the Mideast conflict, the issue has become potentially divisive for Thai Muslims.

An observer noted that the eight-year war between Iraq and Iran hardly affected the Muslim community here, since it was regarded as a quarrel between two Muslim nations. But when it came to the invasion of Kuwait, Thai Muslims expressed "mixed feelings" because it involved Western powers, regarded the perennial enemy of the Islamic world, the observer said.

The conflict was initially viewed as an internal affair between two Muslim nations, and most Thai Muslims were even critical of Iraq, said Arun Witayanon, a journalist at the Islamic Guidance Post.

The invasion was also threatening to disrupt the pilgrimage by millions of Muslims each year to Mecca for the Haj, which is deemed a duty Muslims must perform at least once in their lifetime. There was concern at one stage that the Iraqi troops might invade pro-Western Saudi Arabia.

In fact, both Saudi Arabia and Kuwait have had close ties with the southern Thai Muslim community. The two countries have been major sources of financial support from the Middle East for schools, mosques, and other public facilities in Muslim communities in the South. Ironically, the Thai security authorities have long been suspicious of this funding, fearing it could be channelled to Muslim groups wanting to create disturbances in southern Thailand.

In contrast, Iraq's influence has been negligible here; it has hardly ever given significant aid to the Thai Muslim community.

As the US-led alliance was sending its troops into Saudi Arabia and President Husayn was attempting to link the issue of a Palestinian state to a withdrawal of its forces from Kuwait, the confrontation was increasingly seen by Muslims, including the majority of those in Thailand, as another Crusade, the Muslim newsman said.

Whatever President Saddam's motives, Muslims felt that Iraq's aggression, though reproachable, was of less importance compared to the threat from non-Muslim powers, Mr Arun said, adding that the Iraqi leader was not considered a hero. He said the conflict must be resolved by Muslim mediators. "For Muslims, being ruled by other Muslims will never be worse than being ruled by Americans", he said.

In this context, the gruelling bombardment of Baghdad by the Allied forces was seen by some as symbolising the beginning of a Holy War. Some Muslim leaders and politicians claimed that as many as 80 per cent of the Thai Muslims sympathised with Iraqis as Muslim brothers now being attacked by the US.

It is debatable whether this assessment is accurate, but local analysts agreed the general reaction of Thai Muslims up until the war erupted had been remarkably muted, probably because the conflict seemed to be distant at first.

More importantly, Thailand's support for the Allied forces and Saudi Arabia —where the safety of thousands of Thai workers had been threatened by the prospect of war—may have deterred all but a few critics to speak out on the issue.

But as the war proceeded the country began to feel its backlash, the most visible being the extensive terrorist alert triggered by the US travel advisory which remains in force.

Anxious to keep the situation under control amid numerous reports of the detention and deportation of suspected Arabs, Thai authorities sought assurance from the Chula Rajmontri, who said there would be no collective effort to create unrest by Muslim radicals in southern Thailand.

But suspicions that the Muslim religious leader may have been persuaded by the authorities to openly disassociate any connection between the current Gulf war and a jihad, might serve as an impetus for political activity among the southern Muslims.

There have also been reports that police were keeping a close watch on southern Muslim hardliners who might engage in violent action in support of Iraq.

These developments have apparently irked many members of the Thai Muslim population, whose relationship with the authorities in the past has been marred by the officialdom's preoccupation with security.

Muslim analysts said any indicriminate implication of Muslims would risk reopening old wounds of mistrust between southern Muslims and government authorities.

"Rumours about Muslim terrorists are morally disturbing. Thai Muslims have been upset by such a view that sees them as potential terrorists. We seem to be perceived as being violent and aggressive," journalist Arun said. Authorities should name names if they knew exactly who was planning to create trouble, he added.

Government wariness, analysts said, understandably stemmed from the Kruze Mosque incident last June, in which some Shi'ite radicals allegedly provoked public unrest at rallies by Thai Muslims at the Kruze Mosque in Pattani Province, leading to the arrest of some alleged ring-leaders.

But Mr Arun questioned the accuracy of government intelligence about possible acts of violence by southern Muslims. He said there has always been an attempt to link Muslim radicals with Arab countries accused of backing terrorism against the interests of the West.

Previously, any disturbance in the South was allegedly connected with Libya, and Iran—as in the Kruze incident. Now, the onus seems to be on Iraq, Mr Arun said.

As far as information was concerned, local Muslims said coverage of the Gulf war on state-run televisions had been grossly biased in favour of the allied forces since they relied solely on newscasts from American television networks.

Many have turned to alternative news sources seen as presenting information on the conflict from the Muslim viewpoint. Hundreds of TV signal boosters have reportedly been sold in southern provinces close to the Malaysian border, where Muslim residents have been tuning in to broadcasts from Malaysian television news. They are also said to be listening in to short-wave radio broadcasts from Indonesia.

Saturated war coverage by the Western media, in which heavy casualties and damages inflicted on Iraq are one-sidedly reported, could only reinforce growing pro-Iraq sentiment among Thai Muslims, Mr Arun said.

Another Muslim analyst disagreed, however, with the claim that the majority of Thai Muslims were strongly in support of Iraq. He said the pro-Iraq stance had been adopted by only a handful of well-educated Thai Muslims who were aware of the history of the Middle East conflict. In this regard, the present conflict could not be disengaged from Zionism and the Israel-Arab antagonism, he said. "These people are a minority, however. Many of them are Muslim leaders and intellectuals. It is too complicated for most Muslims.

"But this is a big issue. And, as community leaders, this group of Muslims has to come out and take a clear stand on it," the analyst said.

Yet, most Muslims were now worried their plans for the Haj pilgrimage to Mecca may be affected by the war. They were also offended by the presence of American troops in Saudi Arabia, where forbidden places of the Islamic world are situated.

Many fear that the way of life and culture accompanying US troops could be morally corrupt. "People are worried they (the Americans) might turn Saudi Arabia into Phatthaya," Thai Muslim said.

In conclusion, Thai Muslim observers agreed if the war were to escalate or drag on, at some point Islamic ties could be a galvanising force in shifting the opinion of most Thai Muslims to that of a pro-Iraq position.

Premier, Yon Hyong-muk Exchange Banquet Speeches

BK3101095991 Bangkok Domestic Service in Thai 0000 GMT 31 Jan 91

[Text] Prime Minister General Chatchai Chunhawan last night hosted a banquet at Government House in honor of DPRK Premier Yon Hyong-Muk on the occasion of his official visit to Thailand as guest of the Thai government from 29 January to 1 February. After Prime Minister Chatchai offered a toast to the DPRK premier and the DPRK premier proposed a toast for their majesties the king and queen, Prime Minister Chatchai made the following speech:

[Begin Chatchai recording] Relations between our two countries have always been smooth. There have been regular exchanges of visits at all levels, government, parliament, and people-to-people levels. This has contributed to the strengthening of bilateral relations. I am therefore confident that the agreement signed this afternoon on the opening of the DPRK embassy in Thailand will pave the way for growing relations and cooperation, in all aspects, between Thailand and the DPRK, especially in future expansion of economic, trade, investment, social, and cultural cooperation.

Your excellency the prime minister: It is Thailand's policy to befriend all countries regardless of ideological differences. In the present situation of international relations, all countries must depend on each other. They must turn to each other in order to settle conflicts and lessen the degree of tension and confrontation. They must cooperate for the sake of their own interests, in order to improve the welfare of their people.

Thailand has been trying all it could to bring peace back to Cambodia as soon as possible. We want to turn a battlefield into a trade zone. We want to see Southeast

Asia in unity. I am happy to see a continuous effort made in order to reduce tension in the Korean peninsula, and I am confident that the Korean people will attain their wish for a peaceful coexistence in order to achieve durable peace for the Korean peninsula. Peace and stability in Southeast Asia and the Korean peninsula will naturally contribute to our present endeavour to promote economic cooperation among nations in Southeast Asia as a whole.

The prevailing situation in Southeast Asia and the Korean peninsula gives us some hope that peace is within sight. Yet, the situation in the Persian Gulf is a reminder for us that the danger of war cannot be overcome if we do not turn to each other in a gesture of compromise and try to solve conflicts on the basis of reasons and peaceful approaches. [end recording]

The premier of the DPRK delivered his speech [in Korean fading into Thai translation]. The DPRK premier praised the efforts by the Thai government and people in the development of democratic system, the successes in national economic and social development under the sixth plan, the successes of the government in laying the foundation for economic development by efficiently exploiting natural resources, introducing new technology, and upgrading the welfare of the people. The DPRK premier also supports Thailand's policy of adhering to the principle of nonalignment in international relations, close economic and political cooperation with the ASEAN bloc, and its determination to build a zone of peace, freedom, and neutrality in Southeast Asia.

The banquet in honor of the DPRK premier went on until 2200.

Parliament Chief Receives DPRK, PRC Groups

BK3101093191 Bangkok Domestic Service in Thai 0530 GMT 31 Jan 91

[Text] At the Parliament this morning, Premier of the Democratic People's Republic of Korea [DPRK] Yon Hyong-muk and his party paid a courtesy call on Parliament President Police Second Lieutenant Wan Chansu, on the occasion of his official visit to Thailand from 29 January to 1 February as a guest of the Thai Government.

The Parliament president told reporters about his meeting with the visiting DPRK premier. He said he congratulated him on the move to set up the DPRK embassy in Thailand, which can be regarded as a sign of good relations between the two countries.

He also congratulated the North Korean visitor on the possibility of reunification of the two Koreas. Having a policy of befriending every country, Thailand therefore supports the reunification move because it is constructive. At present, several countries which had been split into two have been reunified. Among them is Germany—a country that has achieved great economic progress. As far as he knows, there is a high probability for the reunification of the two Koreas. There continues to be only procedural problems.

Questioned about the impact of the current war in the Middle East on Thailand, the parliament president said there should not be much impact. When the war is over everything would return to normal. Most countries want the war to be limited in scale and to end quickly, he said.

Touching on the changes of executive members in various political parties in Thailand, the parliament president said the changes are good. He said there is a universal truth that living creatures change for the better. Therefore, there is nothing wrong about the changes. In fact it should be regarded as good.

Meanwhile, (Huang Chiajui), vice chairman of the national committee of the political advisory council of the People's Republic of China, also called on the Thai parliament president.

Wan welcomed him and said he appreciated the committee chairman [as heard] and his party's first visit to Thailand from 30 January-6 February at the invitation of the Thai Parliament.

Wan and his Chinese counterpart exchanged views on Thai-Chinese bilateral relations which has existed for a long time, and the exchange of visits by their parliamentarians, which has promoted closer friendship between the two countries.

Chatchai-Yon Meeting Yields Trade Expansion

BK3001132891 Bangkok Domestic Service in Thai 1200 GMT 30 Jan 91

[Text] M.R. Pridiyathon Thewakun, Government House spokesman, has reported on the meeting at Government House today between Prime Minister General Chatchai Chunhawan and visiting DPRK Premier Yon Hyong-muk.

[Begin Pridiyathon recording] The DPRK will buy 1 million tons of Thai rice within the next two-three years; it will buy 500,000 tons this year. Next year it will buy about 500,000 tons of tapioca for use as animal feed; Thailand has been asked to advise on feed mixing methods. The DPRK agreed to sell more steel to Thai buyers, who have already been buying it from that country. The DPRK will sell additional 300,000-400,000 tons of cement to Thailand. New negotiations will be held on next year's purchase.

The DPRK informed Thailand that it is studying joint investment in wolfram and antimony mining in Thailand. The Thai prime minister expressed pleasure with the project. [end recording]

Apart from economic and trade issues, the Thai and DPRK prime ministers also discussed construction of a DPRK embassy in Thailand. The Government House spokesman says:

[Begin Pridiyathon recording] The DPRK prime minister proposed construction of his country's embassy in Thailand and expansion of the scope of the trade cooperation committee to the level of an economic cooperation committee. Replying, the Thai prime minister said that Thailand is extremely pleased with the establishment of the DPRK embassy. Regarding expansion of the existing trade cooperation committee, the prime minister asked that the matter will be discussed with the Thai ministry concerned. [end recording]

Conflict Over Patent Rights Continues

BK3001154591 Bangkok THE NATION in English 30 Jan 91 p B2

[By Oranuch Anusaksathien]

[Text] Thai pharmaceutical companies are continuing their relentless opposition to the proposed revision of patent laws which will favour the drug companies from the United States.

The local pharmaceutical companies will not easily give in to the US multinational companies who are pressing the government to revise the Patent Act B.E. 2522.

On Jan 9, the US economic counsellor, John Medeiros, met Thai commerce officials to inquire about current progress in the patent law revisions. He left with their usual assurances and sketchy information on the proposed amendments which have yet to be completed by a government sub-committee.

A week after Medeiros' visit, the Thai Pharmaceutical Manufacturers Association (TMPA), representing the local pharmaceutical companies, sent a letter to Commerce Minister Amaret Sila-on on the detrimental impact of amending patent laws on the industry. TMPA also posted to commerce ministry officials, a study by Anatchai Rattakun (its former president) on the bad affects of stringent patent protection on Thai consumers.

The association requested the ministry to be cautious of the "devastating" side-effects of bowing to foreign pressure and amending the Thai patent act.

Which group prevails will be seen in the draft proposal to be finalized by the sub-committee chaired by Suchai Chaowisid, deputy director general of the Commercial Registration Department shortly. At the moment, it is the Thai group which is losing to the United States pressure on the government to amend the laws.

The sub-committee will be handing over proposals to revise the laws to its main committee, led by Permanent Secretary Phatchara Itsarasena of the Commerce Ministry. But more than five years have passed since the the government decided to give serious thought to strengthening the intellectual property laws for the protection of copyrights, patents and trademarks.

Although it was the United States which initiated this move, European countries and Japan in the east also exerted subtle pressure on the Thai government to tighten its patent laws. These countries do not openly attack current patent rules to avoid being labelled as busybodies in Thai internal matters, but stand to gain if the laws are changed.

Those for the amendment of the law are entrenched in the Board of Trade, one of the three umbrella organizations of the local private sector. An observer commented that the Board of Trade's executive committee is over-represented by foreign chambers of commerce. Of the 36 executive member associations on the Board of Trade's panel, 11 are foreign chambers of commerce. The organization is vociferous on toughening the intellectual property laws to preserve trade interests in the face of commercial retaliation threats from Washington if the laws are not amended.

The trade associations for jewellery, toys, artificial flowers, textile and garments and leather products, which are the country's top export earners likely to be affected by the US-trade embargo are also clamouring for amendment of patent laws. Their apprehensions have been fuelled by the renewed threat of the US pharmaceutical industry which sent a petition the United States Trade Representative Carla Hills on the matter.

The increased pressure on Thai government to revise patent laws has made the local drugs manufacturers jittery. They feel that their viewpoint meets little support now. The Thai Pharmaceutical Manufacturers Association's president, Priya Sibunruang, often complains that she finds little support in the fight "against foreign pressure" in the patent dispute.

Several non-governmental organizations are holding public discussions on the impact of the proposed patent protection. The Intellectual Property Study Programme of Chulalongkon University's Social Research Institute and the Drug Study Group is one such organisation. These organizations say that they are campaigning for more stringent patent restriction on local and foreign drug firms for Thai consumers safety.

The sub-committee is likely to recommend that the patent protection be extended to pharmaceuticals, their ingredients, food, beverages, biological processes and farm machines. These items, together with computer software and mathematical and scientific theories, are currently denied patent registration in Thailand.

Another suggestion by the sub committee will be the extention of patent protection for inventions from 15 years to 20 years and the patent life for product designs be increased from seven years to ten years. Moreover, the conditions under which the patent owner will be forced to license his<er right will also be minimized. The power of state to intervene will be restricted to emergency and national disasters only.

Current patent laws allow the government or private investors to license the patent registered in Thailand even in cases when the patent holder fails to make the patented goods, produces insufficient amounts or sells the goods at exhorbitant rates.

The revision in laws will also empower officials or companies to help the licensee fix an "appropriate" rate of royalty.

In case the patent holder does not use the patent right within six years after its registration, the authority or the private company may ask the Commerce Registration Department to cancel the registration.

These "compulsory licensing" conditions have never been invoked by the authority till today.

In the pharmaceutical industry, these conditions are viewed by the United States its trade allies as lenient and favouring local companies.

Although pharmaceutical products and their ingredients cannot be registered under the present law, medicine manufacturing processes come under the purview of the existing laws. Only three patents were granted to the pharmaceutical processes ever since the patent laws came into force in 1970.

The proposed amendments are different from a preliminary study on the "Consequences of Thailand's Granting Product Patent to Pharmaceuticals", by the Commerce Ministry and conducted by two university professors.

Although the study does not suggest any strategy on the patent issue, it prefers that there be no radical changes of the current law. The study clearly points out that the Paris Convention for the Protection of Industrial Property in 1883 allowed countries to impose measures against monopoly.

The compulsory licensing conditions in the Thai patent law thus do not contradict the international agreement, it says.

Canada, which recently amended its patent laws to cover pharmaceuticals and active ingredients, allowed a four-year transitional period for local industries to adjust themselves to the new statutes. The law was passed in November 1988 but will be effective in 1992.

According to Priya of the Thai Pharmaceutical Manufacturers Association, transition period given to the local industry in the new laws will also be crucial to their existence.

Of the total 191 drug manufacturers in Thailand, about 164 are local manufacturers. Most of them import active ingredients which are used to make "generic" drugs (in contrast to original products which are manufactured by multinationals).

Thailand is in no position to research and develop active ingredients due to technological and financial constraints. There are only 50 pharmaceutical based companies in six countries all over the world.

Priya blamed the government's policy for the slow development of local drug industry. The government does not promote the scientific research of drugs in the country, she said.

Most of the measures introduced so far are aimed at regulating the production, distribution, marketing and usages of drugs, she added.

To provide patent protection to pharmaceutical products will cripple this industry which is still in its infancy. Although the current drugs traded in the market now will not be affected, newly developed medicines introduced by foreign companies would be sold at excessive prices, Priya said.

The government's anti-profiteering or anti-monopoly measures will not affect technical calculation of drug prices. The commerce ministry's Internal Trade Department has been lax about price control on drugs.

The sub-committee will recommend that if the product patent is granted, the government will retain its power to force patent holder to license its right. However, the anti-profiteering regulations are yet to be amended to cope with the complicated pricing process of pharmaceutical products and accessories.

The Pharmaceutical Producers Association, which represents foreign interests in Thailand, has repeatedly argued that the competition from other patented and off-patent drugs will force companies to adopt competitive prices.

The fear of monopoly and price hike of some rare drugs are thus unfounded.

Judging from the huge investment involved in the research and development of new chemical entities and new pharmaceutical products, the inventors should also have the right to maximize the fruit of their investment otherwise nobody would continue to research for more effective drugs.

Moreover the drug are not patent protected forever. After the expiry, any manufacturers can copy the drug and sell it to customers, enhancing the quality of drugs.

Local pharmaceutical companies however citicize these opinions.

They cite the recent attempt to amend the Orphan Drug Bill in the United States as an example of how the American legislators attempt ending monopoly of research-based drug companies, but are unsuccessful.

The bill later was rejected by President George Bush as counter-innovative. The bill sought to reduce the windfall profits of drug companies which receive the state protection to develop and market drugs which do not have widespread use.

The orphan drug programme, according to the December 1990's issue of the PHARMACEUTICAL TECHNOLOGY, combined industrial grants, special tax breaks for research on rare diseases seven years market exclusivity for products that treat diseases affecting less than 200,000 people.

Since 1983, when the bill was passed, 394 drugs were designated orphans and more than 50 orphan drugs have been approved. However, complaints surfaced in the past few years because few orphan drugs were successful and profitable; their target patients grew unexpectedly, and the drugs could command high prices.

Henry Waxman, a Democrat from California, who is the author of the law, proposed in April last year to cap the profits allowed by orphan drugs, or impose a shared exclusivity for those developing the same product at the same time.

This apart, the local pharmaceutical units have also said that prices of drugs produced by multinational companies are more expensive than the generic drugs. The document is countered by a list of "copy-cats" compiled by the Pharmaceutical Producers Association.

Many of the generic drug producers are involved directly in the TMPA's campaign against the government's move on product patents.

Overeseas drug companies feel that the opposition in Thailand is result of a handful of people who will lose their business if the product patents are granted to the foreign inventors.

The government has now to weigh the pros and cons of either facing retaliation from foreign trading partners or providing more patent protection to them. It has realized that it can no longer protect all the industries and be self-sufficient. It's time for the authorities to be selective.

The fight between the vested groups on the patent protection will not end in near future. It will take at least a years time before the amendments will be passed by the parliament before whom the bill is likely to be placed for the May session. The debate on the issue is to be highly emotional and the outcome, unpredictable.

Vietnam

'Party Sources' on Delegation's Visit to PRC

OW3101094991 Tokyo KYODO in English 0938 GMT 31 Jan 91

[Text] Hanoi, Jan. 31 KYODO—A Vietnamese Communist Party delegation has been on a two-week visit to China since January 20 at the invitation of the Chinese Communist Party, Vietnamese party sources said Thursday.

The six-member delegation led by Vu Oanh, a member of the party Secretariat, entered China by land and arrived in Beijing from Nanning by air, the sources said.

The Vietnamese mission met Chinese Premier Li Peng on January 21 and has held talks with Vice Foreign Minister Qi Huaiyuan, the sources said.

The Vietnamese delegation has proposed to set up a committee to discuss security and trade across the border, exchange delegations to study socioeconomic situations in each country, and promote cultural exchange, they said.

The Chinese side has repeated its previous stance that the settlement of the Cambodian conflict should precede negotiations on bilateral issues, the sources said.

The delegation includes senior members of the Vietnamese party in charge of agriculture, science and technology, and foreign affairs, and the purpose of the visit is to gain experience of political and economic reform in China.

The two parties will also discuss how to improve relations, and normalization of relations between the two countries, they said.

Vietnamese Vice Premier Vo Nguyen Giap, a senior member of the Vietnamese Communist Party and the Armed Forces, visited China last September at the invitation of the Chinese Government to attend the opening ceremony of the Asian Games in Beijing.

Paper Assesses Thai-Vietnamese Relations

BK3101061391 Bangkok THE NATION in English 31 Jan 91 p A8

[By Kawi Chongkitthawon]

[Text] Vietnam is waiting anxiously for the visit of the new Thai foreign minister, Dr Athit Urairat, to Hanoi. His impending visit is connected to the planning of a summit between Prime Minister Gen Chatchai Chunhawan and Prime Minister Do Muoi in Bangkok.

Athit is expected to assure the Vietnamese leadership of the political stability of the new Chatchai administration. Fixing the date of the summit will follow.

Originally, the summit was planned for February. But due to the domestic political uncertainty in Thailand, there was no follow-up work on the summit during the past few weeks.

In Hanoi, Vietnamese leaders have also been preoccupied with planning the future direction of Vietnam and the leadership changes in the 7th National Party Congress.

The Thai side also views the ongoing Vietnamese preparation for the 7th National Party Congress with great interest. The Thais are confident that Vietnam will continue current economic reforms and that Thailand will be able to contribute positively for bilateral benefit.

One of the agreements which both sides are working on for signing by the two premiers at the summit is the establishment of a joint committee on economic cooperation. This is aimed at setting up a framework for future economic cooperation between the two countries and broader cooperation with other countries in the region.

To give the impetus to Thai-Vietnamese ties, the Cabinet recently approved a Commerce Ministry proposal to set up a commercial consular office in Hanoi. This idea had been discussed for quite sometime.

It will now take at least another year before the Thai commercial consular office becomes operational. Malaysia was the first ASEAN nation to set up a commercial consulate in Ho Chi Minh [City]. Thailand is contemplating a similar move and the issue is expected to be raised in the summit.

An informed source in Bangkok said that Thailand is working out a credit package to Vietnam during the summit. In 1978, when then premier Pham Van Dong visited Bangkok, his Thai counterpart Gen Kriangsak Chomanan pledged Bt110 [baht] million worth of credits for Vietnam to buy Thai rice.

Now that Vietnam is producing enough rice, it may be able to use the new credit package to buy other Thai products. The new credit package could be four to five times larger than that offered in 1978 because of Thailand's growing economic strength.

Currently, about 40 Thais are working in Hanoi renovating diplomatic premises. They are employed on a short contract basis of about one year each. These Thais are experienced workers who have held jobs in the Middle East. Almost all of them have spent a few years in either Saudi Arabia or Libya.

One Thai worker, who identified himself as Somsak, said that before he came to Hanoi, he was planning to go to work in Kuwait as a carpenter. But Iraq's invasion of Kuwait of Aug 2 forced him to cancel the plan. Somsak worked in Riyadh for two years before returning to Thailand.

He said that at first he was afraid to work in Hanoi because he heard of stories of Vietnamese boat people fleeing Vietnam because of economic hardship.

"But I took this job because I needed the money really badly," he confided.

After his arrival in Hanoi last October, Somsak has completely changed his perception of Vietnam. He likes the country so much that he decided to marry a Vietnamese girl two weeks ago.

He said that he was pleased to work in Hanoi "because it is like Bangkok where you can do anything."

"In Hanoi, you have more freedom than in Saudi Arabia," Somsak said. At least booze is readily available here.

With an average daily wage of Bt400, Somsak said he can live like a playboy in Hanoi. A Vietnamese labourer usually earns less than Bt20 a day.

His colleagues are quite envious of Somsak's marriage and many of them want to emulate him. In fact another Thai worker is planning to wed a local Vietnamese beauty before Tet, the lunar new year on Feb 15. Vietnamese believe the next few weeks are the most auspicious time for marriage.

When it comes to making money, few can rival the enterprising Vietnamese in Ho Chi Minh City. It is not surprising then that with the allied forces zooming in on Iraq, SAIGON GIAI PHONG and the TUOI TRE, (the Youth Daily), have published afternoon extra editions to satisfy their readers hungry for all the latest developments in the Gulf War. The circulation of major newspapers throughout the country has also increased because of the widespread interest in the war.

However, an editor in Hanoi said people in the northern half of Vietnam have a rather sober view of the war because most of them can relate to the horror of the massive allied bombardment of Iraq and Kuwait. He said it is unlikely that there will be any afternoon edition of NHAN DAN or QUAN DOI NHAN DAN.

The Vietnamese government has taken a neutral position toward the Gulf War during the first week. Apparently there has been a shift since then. In the past few days, commentaries by the print media here have harshly criticized the massive bombardment.

Two days ago, NHAN DAN carried interviews with victims of the 1972 US bombings of Hanoi to show sympathy with the Iraqi people.

Almost all of the 16,000 Vietnamese workers in the Middle East have returned home in the past few weeks through financial assistance and transportation given by the EC and Japan. Less than 1,000 Vietnamese workers remain in Baghdad.

The Vietnamese government is pretty bold in countering growing corruption throughout the country, both inside and outside the Communist Party.

Vietnam views corruption quite differently than most other countries. The Vietnamese authorities think that exposes of corruption in the West (or as one Vietnamese official cited, a case in Thailand) have to do with political scheming to discredit election rivals and attack the ruling leaders and their party.

In the case of Vietnam, officials here tend to treat corruption as a "social evil" which damages, first and foremost, the prestige of the Communist Party.

The Party prides itself that during the four decades of war against the France and the US, there were no reports of any major or systematic corruption in Vietnam. However, after the reunification of Vietnam in 1975 and subsequent opening of the economic system, corruption became the norm and the "quickest way" to improve one's standard of living.

For some time now, the government-controlled media have regularly exposed corruption scandals to remind people that the government is doing something to eradicate this "social evil" and protect the public interest. But the Party daily, NHAN DAN, has said that corruption "has grown even more serious."

According to official Vietnamese records, since the beginning of last year various law enforcement bodies have investigated 6,305 cases of corruption involving a total loss of 117 billion dong ($58.5 million or Bt 1.46 billion); 2,922 cases of misappropriation of public property valued at over 66 billion dong; 1,911 cases of smuggling; 171 cases of peddling prohibited goods; 306 case of counterfeiting; and 729 cases of tax evasion. Moreover, 1,873 state employees were arrested.

Last year, one of the most publicized cases involved a senior official of Tien Gian province, who allegedly embezzled 10 billion dong from the provincial Import and Export Company.

In another case, Tran Van Tien, vice-director of Phu Quoc Transport Enterprise, was put on trial for embezzling 6.6 billion dong.

The organizer of a pyramid financial scheme who owned a perfume factory was sentenced to life imprisonment for fraud.

Last week, NHAN DAN reported the discovery of major corruption cases in Ho Chi Minh City. It said the local administration had investigated 10 state-run enterprises, mostly banks and trade offices. At one of the companies and a local post office, officials found that $519,000 in US dollars, several billion dong and nearly 20 ounces of gold were missing. Several officials including a few deputy directors were removed.

To cope with corruption, the Council of Minister recently issued an anti-corruption measure, called Decision No 240, which includes severe punishments.

But the army newspaper, QUAN DOI NHAN DAN, complained recently that there were problems in implementing Decision No 240 because senior officials interfered with investigations and suspects tried to bribe their way out of trouble. At the same time, punishments were often too light and meted out too slowly.

Radio Vietnam said 2,800 party members were expelled in the northern province of Hai Hung, near the capital. Hundreds of thousands of the party's two million members have been expelled in the last four years in the crackdown on corruption.

The crackdown will likely continue as one of the priorities of the Party is to increase public confidence and trust in its government as it prepares for the 7th National Party Congress.

French Provide $100,000 in Agricultural Aid

BK2901095091 Hanoi VNA in English 0711 GMT 29 Jan 91

[Text] Hanoi VNA January 29—The Southern Institute of Agricultural Science has received 4,000 doses of frozen [words indistinct] milchcows and a number of artificial insemination instruments worth 100,000 U.S. dollars from the French Ministry of Agriculture.

Also this month, the French Ministry of Agriculture sent two specialists in artificial insemination to Vietnam to help in training technicians, setting up laboratories for genetics and veterinary work, pasture growing and milk processing.

Germany To 'Step Up' Economic Cooperation

BK2901095591 Hanoi VNA in English 0717 GMT 29 Jan 91

[Text] Hanoi VNA January 29—Dr. M. Grayph, in charge of aid and development for Asia and the Pacific of the German Government, told our Berlin-based correspondent recently that Germany would step up her cooperation with Vietnam in the fields of economic reform, forestry and manpower training.

He said last year, many official German delegations were sent to Vietnam to study the situation and identify concrete areas of concentrated cooperation between the two countries. In forestry, he said, Germany's cooperation with Vietnam would be based on Vietnam's cooperation in this field with the former German Democratic Republic, while in economic reform, his country would provide Vietnam with consultative assistance related to market economy.

With particular regard to manpower training, he said it should be focussed primarily on such industrial branches that have direct links with economic activities and in the direction of combining technological theory and practise. He said Germany plans to help Vietnam build and equip an institution for training skilled workers somewhere in or near Hanoi.

He also highly appreciated Vietnam's new policy of openness in economic development.

Belgian Ambassador Holds News Conference on Ties

BK3001085491 Hanoi VNA in English 0721 GMT 30 Jan 91

[Text] Hanoi VNA January 29—The appointment of a Belgian resident ambassador to Vietnam and the recent visit to Vietnam by Belgian Foreign Trade Minister Robert Urbain are the first steps in the development of Belgian-Vietnamese relations in the new stage, said Piet Stell, the first ambassador extraordinary and plenipotentiary of the Kingdom of Belgium to Vietnam, at a press conference held here today.

The Belgian diplomat said that after 13 years of the interruption of their cooperative relations, Belgium and Vietnam are now preparing to set up a joint commission for commercial, economic, and cultural cooperation some time in the fall of this year.

He further stressed that Belgium is prepared to cooperate with Vietnam in processing agricultural, forestry, and maritime products, and in oil exploration and exploitation and transport, particularly railway transport. In the immediate future, Belgium will sign with Vietnam an agreement on aviation cooperation and on Belgium's assistance in training Vietnamese economic managers.

He expressed his wishes for further development of the multifaceted cooperation between the two countries.

Workers' Confederation Meets on Party Drafts

BK2701101591 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Jan 91

[Text] The Secretariat of the Confederation of the Vietnamese Workers just held a meeting for the natural and social science cadres to discuss and provide opinions to the seventh party congress draft documents.

The opinions unanimously agreed on taking the socialist route under the leadership of our party in the coming revolutionary stage and agreed upon main targets of the socioeconomic strategy up to the year 2000.

Many suggested practical ways to solve the present social situation and many others presented lessons on past socioeconomic construction, suggesting that the formation of a personnel strategy in the party draft should be practical enough to attract intellectuals and encourage science cadres to contribute their best skills.

Some said it is necessary to understand the role and positions of the workers' class and social organizations. At the same time, personnel work and the formation of a law enforcement system must be given proper attention.

Army Paper Suggests Measures To Fight Desertion

BK2901084991 Hanoi Domestic Service in Vietnamese 1000 GMT 28 Jan 91

[From the press review]

[Text] The paper QUAN DOI NHAN DAN today carries an article by Tuan Anh that addresses some cases involving military desertion. After pointing out several infractions, the author suggests:

1. All localities should realize their responsibility in conducting propaganda and educational work among youths to help familiarize them with military life before joining the Army. It is necessary to recruit outstanding citizens for the Army and combine the responsibility of localities with the education and management of soldiers throughout the process of serving in the Army.

2. When receiving new recruits, all units must see to it that they have perfect care, so there is an atmosphere of delight and ease right from the very beginning of their military lives. Greater attention must be paid to the cultural, literary and sports needs of soldiers. They absolutely must not accept those who have violated the law and must, from the beginning, adopt measures to maintain discipline and prevent all violations of military regulations and state laws.

3. Impartial judgement is necessary in public cases involving repeated desertion, infractions, or draft dodging in order to enable youths and all citizens to know how to abide by the law.

Local FM Radio Station Operating in Ha Tuyen

BK3001090091 Hanoi VNA in English 0713 GMT 30 Jan 91

[Text] Hanoi VNA Jan. 30—A new FM (frequency modulation) radio station worth $57,000 provided by the French Agency of Cultural and Technical Cooperation (ACCT) has been put into operation in the northern mountain province of Ha Tuyen. This is the first local FM station built with ACCT assistance in Vietnam. It has a 100-watt transmitter and can cover an area of 15 kilometres in radius. In 1991, ACCT plans to help build two more such radio stations, one for each in the northern mountain province of Cao Bang and the central coastal province of Nghe Tinh.

217 Foreign Investment Projects Licensed in 1990

BK2901063091 Hanoi Domestic Service in Vietnamese 0500 GMT 28 Jan 91

[Text] In 1990, the State Committee for Cooperation and Investment granted licenses for direct investment to 109 projects with a prescribed capital of more than $258 million. Of the total investment capital of more than $592, some $113 million was contributed by the Vietnamese side.

These projects include 60 in industry; 26 in tourism and service; 10 in fisheries; four in agro-industry; and five in oil and natural gas exploration, communications and transportation, and posts.

Since the promulgation of the law on foreign investment, as many as 217 foreign investment projects have been licensed with a prescribed capital of $434 million and a total investment capital of more than $1.4 billion. Of this, the Vietnamese side accounts for more than 30 percent.

Apart from those investment projects abroad, there are 203 projects in 27 provinces, cities, and special zones in our country. Ho Chi Minh city ranks first with 88 projects.

$1.4 Million in Investment Projects Licensed

BK2801140691 Hanoi International Service in English 1000 GMT 28 Jan 91

[Text] Since the promulgation of the Law on Foreign Investment, Vietnam has licensed 217 projects with a prescribed capital of 434 million U.S. dollars. The total investment capital is 1,471 million U.S. dollars, of which 30 percent is from the Vietnamese side. In 1990 alone, the State Commission for Cooperation and Investment of Vietnam gave licenses for 109 projects with a prescribed capital of more than 258 million U.S. dollars.

Lam Dong Post, Telegraph Office Expands Networks

BK2901074091 Hanoi Domestic Service in Vietnamese 0500 GMT 28 Jan 91

[Text] Last year, the Lam Dong provincial post and telegraph office invested 1.1 billion dong in improving the entire domestic and international telegraph and telephone systems, increasing calling numbers for the Dalat-Ho Chi Minh City telephone network, installing new domestic and international communications facilities, and modifying the 245-km long cable network between Dalat and Xuan Loc.

The Lam Dong provincial post and telegraph office is now capable of handling both domestic and world communications without difficulties. In 1991, the Lam Dong provincial post and telegraph will invest 500 million dong in improving all cable networks in Dalat city, installing the five-station microwave system from Phan Rang to Dalat, and modifying the automatic telephone system in various districts.

Australia

Labor Council Calls for Gulf Troop Withdrawal

BK3001074691 Melbourne Overseas Service in English 0500 GMT 30 Jan 91

[Text] The Trades and Labor Council [TLC] in Western Australia has called on the Federal Government to withdraw Australian forces from the Gulf war. TLC delegates meeting in Perth condemned Iraq's invasion of Kuwait and endorsed trade union calls for a cease-fire and a peaceful resolution of the conflict.

The TLC secretary, Mr. Clyde Bryant, said the war was likely to be drawn out and the peace movement would grow rapidly.

New Zealand

AFP Views 'Strained' Defense Ties With U.S.

BK3101033491 Hong Kong AFP in English 0321 GMT 31 Jan 91

[Text] Wellington, Jan 31 (AFP)—It may take as long as six years for New Zealand to restore its strained defence relationship with the United States, Foreign Minister Don McKinnon said here Thursday.

The previous Labour government's anti-nuclear policies, which saw U.S. Navy vessels effectively denied entry to New Zealand, split the ANZUS (Australia, New Zealand and U.S.) military alliance.

Mr. McKinnon said New Zealand's appointment of former Defence Secretary Denis McLean as its new ambassador to Washington was a positive move toward restoring relations.

The foreign minister said improved relations would not happen overnight. "In effect we've been out in the cold for six years and it may even take that length of time to get back in again in terms of a very positive and warm relationship."

New Zealand's commitment of transport and medical teams to the coalition forces in the Gulf had produced a "very positive mood" in Washington, he said.

Papua New Guinea

Somare Requests Australian Help in Bougainville

BK3001101091 Melbourne Overseas Service in English 0800 GMT 30 Jan 91

[Text] Papua New Guinea's foreign minister, Sir Michael Somare, says his government would like Australia to contribute aircraft and medical personnel to a Bougainville peacekeeping force. Sir Michael told Radio Australia the aircraft would be used to fly police and supplies to Bougainville, but he added that under the Honiara Agreement, Papua New Guinea defense force personnel will not be sent to the island. Sir Michael says he has received a note from Australia's foreign minister, Senator Gareth Evans, that Australia will provide any assistance required by Papua New Guinea. But, a spokesman from Senator Evans' office said as yet Papua New Guinea has not formally requested assistance.

Meanwhile, Papua New Guinea is seeking assistance from all the Commonwealth countries, including New Zealand, Malaysia, Canada, Vanuatu, and Solomon Islands, and also Fiji.

Western Samoa

General Elections Delayed Until March

BK3101093691 Hong Kong AFP in English 0825 GMT 31 Jan 91

[Text] Suva, Jan 31 (AFP)—Western Samoa's general elections due in February will now take place in March, Prime Minister Tofilau Eti Alesana said Thursday.

The prime minister said in a telephone interview that his Cabinet had originally believed the elections would have to be delayed until May to cope with registrations. As a result of the electoral law changes government officials have been registering between 70,000 and 80,000 new voters, including providing each with the photo id necessary to vote.

They will be the first elections since independence from New Zealand in 1962 conducted on the basis of universal suffrage. Until now only an estimated 21,000 matai or family heads have been able to vote. A referendum last year narrowly approved universal suffrage.

Previous elections have taken place in February but Tofilau believes elections can take place in March as registrations will be completed by then. The ruling human rights protection party enjoys a narrow majority in the 47 seat legislative assembly.